

*The Rev. John (Pugh)*  
*with the Author's consent*

# LETTER

TO

SIR ROBERT PEEL, BART.

ON THE

CAUSES OF THE SUCCESS OF THE NON-PRODUCTIVE  
CLASSES :

BY "MILES,"

AUTHOR OF "A LETTER TO LORD JOHN RUSSELL, ON THE CAUSES  
OF THE DISTRESS OF THE MANUFACTURING CLASSES OF  
ENGLAND, WITH A PROPOSED REMEDY, BY CIVIS."

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What are the rights, what are the rights of the discontented classes in England at this epoch ?  
He were an Oedipus, and deliverer from sad social pestilence, who could resolve us fully ! These are  
measurable questions ; on some of these any common mortal, did he but turn his eyes to them, might  
throw some light---CHAOTISM, BY THOMAS CARLYLE.

The subject's grief comes through commissions,  
Which compel from each the half-part of his  
Substance.

This makes bold mouths, tongues spit  
Their duties out, and cold hearts freeze  
Allegiance in them : nay, their curses now live where  
Their prayers did.

I would Sir ROBERT would give  
It quick consideration ; for there is no  
Primer business.

QUEEN CATHARINE (three words changed)

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## P R E F A C E.

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IT is somewhat hard that a man cannot assume the *title* of *Citizen* without being subject to the charge of *literary piracy*. Yielding to the importunities of my friends, I have dropt the name of "Snooks," and after casting about for a name free from *suspicion*, I have adopted that of "Miles." It is not at all likely that any *soldier* should bother his head about *finance*, and I should imagine that *Radicalism* is not one of their attributes. Surely I am safe now from the charge of piracy!

It may appear strange, that having addressed my first Letter to the head of the Whig party, I should dedicate my second to a Tory. I have two reasons for this;—the first is,—that I have always deprecated the support given by independent Englishmen to either of the parties in the State,—“a plague on both your Houses” has long been my motto;—the second is,—that my egotism induces me to suppose that Lord John *snubbed me* in the long speech he made in vindication of the Whig policy: you may recollect he concluded by saying, that every thing would go right in spite of the *predictions of narrow-minded men*. Now, Sir, the political economists teach us that every thing is brought to perfection by the *subdivision of labour*, and any one will admit that the Almighty has denied to man universal genius. Let me cite as an example Lord B———. I will admit that he knows more on *most subjects* than any man in England, and yet in what branch

of knowledge has he not a superior? The profession in which he was brought up say he is no *lawyer*; Whig and Tory say he is no *statesman*; I say he is no *financier*, or he never would have said that the currency had nothing to do with the present distress. Is he to be compared unto an Herschell, a Davy, a Watts, or an Arkwright in their respective pursuits? He is a sort of Jack of all trades and master of none, unless it be of *political economy*, and here I do not wish to dispute the palm with him. Then what becomes of Lord John's narrow mindedness? Is he ignorant that where water is pent up into a narrow channel, it works one for itself correspondingly deep, and that when it expands over a large surface it stagnates?

## A LETTER.

TO SIR ROBERT PEEL,

In a Letter which I addressed to Lord John Russell, at the opening of the last sessions of Parliament, on the causes of the distress of the manufacturing classes, I took my text from *a measure* in the office of an engineer; I will now select a passage from a conversation I had with the proprietor, as a peg on which to hang my ideas. I had made the following observation to him;—"I suppose, as in *all* other things, you find in your business a great difference between *theory* and *practice*." "Yes," he replied, "in the proportion of an *ounce* to a *ton*." I choose this for two reasons:—the first being, that I cordially concur in its truth and force; and secondly, because it gives me an opportunity of explaining, that I was formerly as hot-headed a political economist as any one. The sad lessons I have since learned in the working of that branch of political economy called capital, circulation, currency, money, induced me to write the Letter before alluded to. In it I endeavoured to suppress my indignation at the ruin and misery entailed on the unfortunate dupes of the system; yet I regret to say, that mildly as I have treated the paper-money-makers, there are many very honest people who have read that Letter, who express their opinion that it contains many truths, yet they are sorry that the writer did not conceal his ire under more courteous language. Of this you may be assured, that however uncivil the language of that or this Letter may be considered, there is no personal spleen or hatred to *any individual* to be gratified by the use of it; and I here, once for all, entreat it may be attributed to its real cause—the ardent desire of the Author that the people of this country may be released from the most *galling fetters* that ever were imposed on any nation.

The subject matter of this Letter was suggested to me by the debates in the last session of Parliament; and first by an expression of yours on Wednesday, the 23d February—(it is given nearly the same in all the morning papers, but I will quote from the *leading journal*)—"That in an artificial state of society." The whole debate was about *England*; therefore, you must have meant, that our *social condition* was artificial. Now, Sir, ask yourself the question—wherein does this consist, unless in the causes assigned in my Letter to Lord J. Russell? And if this be true, are you prepared to say, that the remedy therein proposed is *impracticable*? Yet you, and all those members of Parliament who have not the moral courage to look this (the only practical remedy for the distress of the country) in the face, very coolly tell the sufferers that there is no remedy!!! I do not ask you to apply it if you are satisfied that it will not answer; but in this case I represent the opinions of *hundreds of thousands*; and you are bound to show (where you profess to have no remedy of your own) that the *only one* proposed to you is a *false one*.

Pray, Sir, (if it be beneath your dignity as Prime Minister,) let one of your underlings condescend to *explode* the trash of a *radical writer*; but I must tell you, that I have taken great pains to place that Letter in the hands of those who, I thought, were the most likely to expose its fallacies. It may be beneath their notice; but certainly only one writer has attempted to refute it; and I place the substance of the correspondence in a note, that you may judge how far he has succeeded.\*

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\* A letter had been placed in my hands, written by one of Mr. Attwood's disciples, criticising *Civis*, to which I replied. As my answer disposed of his objections, I requested his permission to publish the correspondence as a note, *without any comment*. He objected to this, on the ground that he had written in haste, with no idea of publication, and had not kept any copy; and further, on my sending him the correspondence, that he should be writing against an anonymous correspondent. I must, therefore, give the substance of it, so as not to indicate my opponent, pledging myself to insert nothing which did not appear in it.

The first objection was, that "*Civis* does not explain what he considers to be money. Now, I contend, that gold is capital. Gold dust is not money; it is only of the value of so much money."

My answer was,—Money is *that something* by which the value of all other things is estimated. If a dealer offer me a horse for £20, he knows that with my £20 he can go down to Yorkshire and buy another horse equally good as the one he sold me, and retain some of my money in his pocket. This is, supposing I had paid him in *sovereigns*; but if I had given him 20 rags, he might find, when he got into Yorkshire, that they were worth *nothing*,—the banker who had issued them had stopped; or he might find, that the banker who had issued them, had set so many of them afloat, that he could not buy so good a horse as he had sold, under £25.

The Editor of the Morning Chronicle reviewed (on the 11th of June) my Letter, conceiving that it was written by an old

Let Mr. — imagine an old woman going into a shop to buy a yard of calico, for which she pays 6d.; but on returning home, she finds she has not as much as she *wants*; that *her yard measure* shows the shopman has only given her 24 *inches*! She immediately returns to the shop, calls the owner a cheat, and cannot understand the meaning of his answer, "*calico is dearer*, so that he can only sell 24 inches for 6d. when he used to sell 36 inches.' Yet this is the same thing as if he had charged her 9d. for a yard (36 inches), because *money was cheaper*. Or, supposing he had given her 48 inches because *money was dearer*, she would have bought more than *she wanted*. In *either case*, the old woman would never know what she was about: and the same thing takes place, should the shopman's *measure never alter*, but the price vary by the alteration of the *quantity* of money in circulation.

Nations, in emerging from barbarism, improved their currency from *courie shells* to *gold*; because experience taught them, that there was nothing so universal in its application, from its varying least in quantity.

Civis considers that as the best *money standard of value* which can be the least tampered with. An *expanding* and *contracting* currency is just the same thing as adding more *alloy* to a sovereign, and *taking it out again*.

There has never been any serious change in the *gold value* of land, &c., except at the time of the discovery of the American mines; but there has been a constantly increasing *nominal* value of land, coextensive with the quantity of paper money which any nation has been foolish enough to permit a set of knaves to throw into circulation. Civis's position is, that the owner of land derives no advantage from this increased price; and that those who get their living by making articles for foreign consumption, have an obstacle put in their way by it; labour being necessarily *cheaper* in a country making use of the *least quantity of money*.

I shall not trouble you with my answer to his next objection,—“That Civis does not discuss the subject of money with reference to all nations and people.”

He then states his dogma, that “value given for value is barter. A light sovereign is not *money*, but a piece of *metal*. A coin of full weight is *called* a piece of money; but is only a *piece of metal*, worth as much as is ascribed to it as a commodity, and will not pass throughout the world but as I have described.”

To this I replied, that barterers, or traders, do not give value for value, without some object. In Civis, page 34, the merchant who barterers his coffee with the English and German merchants, expects to make something of another party or parties, to whom he sells their goods: the others expect to do the same with his coffee. The example was given to show that the English, by making use of *false money*, or *currency*, were holding out a premium to foreigners to compete with them.

Mr. — admits that a coin of full weight is *called money*, and will pass for as much as is ascribed to it, as a commodity throughout the world. Does Civis contend for more? But then he would ask—does a *bank note*, or 1 O U, fulfil the same conditions? Will they pass in barter at all times, and in all places, like the *piece of metal*?

He then goes on to contend, “that *money* is but the *representative of value*; and until Civis can prove that he is wrong, it is useless to discuss the policy

correspondent of his. I immediately informed him of his mistake, of which he took notice on the 13th. . You will herein per-

of issuing paper. He then asserts that Civis advocates a *total abolition of money.*"

Hear my answer to this :—

Civis cannot understand how a full-weight sovereign is only the *representative* of value. If he give one for a hat, he has given *value* for *value*; but if he had given a *flimsy*, called a £1 note, then, indeed, that description of money is but the *representative* of value. Civis advocates, certainly, the *total abolition* of this description of money, under certain accompanying conditions; and he here repeats, without fear of being proved to be wrong, that England cannot permanently thrive until this abolition take place.

My opponent then argues, "that *any note or bill is money*, because it is the representative of value."

To this I say, that any note or bill, promising to pay so many ounces of gold, quarters of corn, &c., is *not* money, but the *shadow of the substance*; because, before the barter is completed, the bill has to be *cash*ed.

I am restrained from giving my answer in full to his challenge to refute something he had printed: but the following forms a part of it, and is worth your consideration.

But what is the cause of this superabundance of produce? England does not manufacture for all the world; then why does she not send it abroad? Simply because she cannot get as much *money value* in return for goods, as will pay for the cost of production. Then comes the question, why cannot she make goods at a price that will command a sale, or barter? It is to this question that Civis flatters himself he has given an answer.

Civis considers, that an advance in the price of gold is equivalent to a certain quantity of gold passing in exchange, or barter, for a *larger quantity* of other things; therefore, the *price* of all other things would *recede* instead of advance: and this is the *one thing needful*; for then the produce of our labour could be *bartered* with foreign nations.

He then quotes my assertion, "that it would be highly advantageous that one sovereign should do the work now assigned to three; asking me to apply this case to a coal-mine and a gold-mine; adding, if the coal is to be one-third the cost, why will it not equally apply to the gold? what becomes of the boasted standard of value?"

In answer, Civis contends, that the coal is at an unnatural cost, owing to the gold not representing its *real value*; it is debased by its forced alliance with twice its amount of paper money; their relative value (the coal and gold), would be just the same *then* as now. The standard of value would be intact. All the efforts of the paper-money men are directed to make the *gold* and *paper* appear of the same value. If Mr. —'s project were realized, of letting gold find its market value, the rags must take *flight*, and a national bankruptcy ensue.

He finally attacks my example of the effects of our barter; and asks "why I do not stick to *barter*; and say, an Englishman goes to a foreign market, with rice valued at 6d., and the German with rice valued at 3d., when they will each purchase the same quantity of coffee?"

My answer to this is,—Civis wrote his Letter with a view of showing that our artificial money prices were the cause of our being competed with by foreigners in our *manufactures*; he cannot therefore understand how sub-



ceive the reason of my substituting *Snooks* for *Civis*; and here let me observe, that I was so much tickled by the Canterbury affair, that I determined, if ever I had occasion for a "nomme de guerre," that it should be "Snooks." As my answer to the Chronicle's remarks somewhat illustrates my opinions, I place it in a note, because the Editor did not choose to insert it.\*

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stituting *rice* for manufactured goods would be a fairer statement of the argument, unless Mr. — can satisfy *Civis* that rice is an article of English *manufacture*. *Civis* does not deny that all trade is barter; but he asserts that barter, through the agency of *money*, is as frequent as through goods; and consequently, that the nation which trades through the medium of a *debased currency*, is trading to a disadvantage; and he thinks the example he has given is conclusive evidence. If Mr. — will enlarge this case a little, he will discern the action of it. Supposing the English and German merchants to have bartered their goods and coffee to the extent of a million of money (the realized price in the London market); the German takes a million of *gold* out of the bank, with which he purchases at home two millions' worth of goods, as *valued with coffee*; whilst the English merchant can only purchase one million's worth: they both go to the coffee country to exchange them. If this does not exceed the quantity of coffee which the grower has to exchange, or if the quantity of their goods be not greater than the coffee merchant can dispose of, the same advantage arises again to the German; or if they be in *excess*, the German can afford to give *twice* as many of his goods in exchange as the Englishman, without incurring *any loss*. *Civis* entreats Mr. — to *study* his Letter. He feels confident that he would have found an answer to all his queries, had he done so. He is greatly distressed to find how small a proportion of the public have kept themselves uncontaminated by the crude absurdities of the political economists. It is the confounding the *shadow* with the *substance*,—the *pretended representative of* —with the *real value*, that has given such currency to their doctrines.

To the above I received an answer, that "Mr. — still contended that *money* was a shadow, the representative of value,—mere numbers"—with one or two other observations. Having written my reply on the back of Mr. —'s, communication, and having sent them to him, I am unable to give any more detailed account of it.

\* To the Editor of the Morning Chronicle.

The notice you were pleased to take of my Letter to Lord John Russell, in your paper of Saturday, could not fail of flattering my vanity, seeing that you ascribed it to an *old* and *able* correspondent. I had anticipated such reflections on it. Although an exceedingly hasty and ill-digested production, yet a frequent reperusal, and a strict watching of the debates in Parliament, have only tended to strengthen the conviction in my mind, that I am right in all my positions. I placed the pamphlet in Sir R. Peel's hands, on the opening of the session, as well as in the Duke of Wellington's. I need scarcely say, that Lord J. Russell had the first copy. I further distributed 100 copies among the leading liberal members of both Houses. I have the vanity to believe that I trace the effects of the perusal of it, in the speeches of Sir R. Peel, Lord J. Russell, Lords Brougham, Fitzwilliam, Howick; and amongst other commoners, Messrs. Muntz, Cobden, and Wakley. But

The next thing which I considered required an explanation, was an expression of Mr. Escott's,—“ A rich country must ever be a *dear* country, and a poor country must ever be a *cheap* one. It ever was and ever will be so.”

The question here arises, what is meant by a *rich country*? If one in which a large accumulation of the precious metals, or of paper money has taken place, why, it is plain that more of them will be exchanged for other articles, and prices will rise: yet this is no proof of richness: a man can buy no more with his money now than he could *before, with less gold* in the country. It is true, that an individual in the country, who acquires a large quantity of gold, or paper, is richer; he can *buy more* of other articles:—but a country cannot grow rich by any accumulation of *money amongst themselves*.

But a country can grow rich in another way. If the inhabitants have been hard-working, industrious people, and have acquired a large hoard of the products of labour, in the shape of ships, warehouses, canals, railways, docks, &c., they possess advantages over other nations who have not these articles of commercial greatness. But the accumulation of these things acts in

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I must summarily notice one or two of your objections. You first state, that the people do not wish for the reduction of the National Debt; to this I answer, that it is because they have not yet fully discovered that it is the cause of all their difficulties. If you will suppose it to be equally divided amongst the heads of families (say five millions), any one with half a grain of common sense, must immediately perceive, that it would be the interest of every one that it should be done away with, whereby they would be saved the expense of collecting money from each other, to be repaid to each other; but if the National Debt were in the hands of one-fifth of the population, then these holders would only have to pay one-fifth in taxation; and the remaining four-fifths of the population would be taxed for the remaining four-fifths of the interest of the debt, and receive nothing in return. I firmly believe that the taking off the tax on corn, &c. would not be effective unless they materially lowered prices; but *lower prices* are equivalent to *dearer money*, or less circulation; ergo, a National Debt of £29,000,000 of annual interest (supposing prices to be reduced *one-half*), would be increased, in its pressure upon industry, to £58,000,000 of annual interest.

But, Mr. Editor, I feel greatly obliged to you for noticing my Pamphlet. I had no sordid motive in writing it; any one is at liberty to reprint it; and I call on Lord Ashley, Joseph Sturge, Mrs. Fry, and all those who have the welfare of the labouring classes at heart, to study it, and distribute it in every hamlet of England. It is more calculated to benefit the poor than any production I have yet seen addressed to the public; and there is no stronger proof of this than your remark, that it is *not* calculated to win its way amongst the present issuers of paper.

Your obedient Servant,

SNOOKS.

a *directly opposite way* to the accumulation of money. It tends to keep down the *cost* of using these things, that there should be an *abundance*; and, consequently, to prevent other nations trying to rival us in commercial pursuits: but the *accumulation* of money enhances the cost, and gives a premium to foreigners to compete with us; ergo, that nation which can, by the *cheapest money cost*, accumulate the means of commerce, has a decided advantage over the *dear country*. England, by allowing *paper* to pass for money, places herself in *this predicament*.

Lord Howick, on the 10th March, made the following observation:—"The only protection to which, in his mind, they were entitled, was that protection which secured to *every man* the enjoyment of the fruit of his honest industry, which would guard him against being deprived by others, *directly or indirectly*, of the produce of his labour." To him I addressed this note thereon:—"But this doctrine applies to *wages*, which are the poor man's capital; yet wages are only so much of the *product of labour*, as the masters consider barely sufficient to keep body and soul together. When will our legislators take their case into consideration, and secure to them a *fair share* of the product of their labour? I have shewn in my letter to Lord John Russell, that supposing the taxation removed, and the population the same, as well as the trade, that six hours a day would earn the labourer his present bare subsistence. I would therefore declare, that six hours a day be sufficient to entitle the labourer to an adequate subsistence; and that any further labour should be paid for as *extra time*, at the same rate.

"Now, Sir, let me beseech you, and your brother liberals, to imitate Sir R. Peel, and set about creating a new party, based on—protection to the labour of the country. You must of necessity, immediately enlist Lord Ashley and his followers. If you gentlemen legislators find no difficulty in apportioning the quantity of food, clothing, &c. &c. to the poor in the workhouses, jails, &c.; surely you could have no difficulty in determining what quantity of wages would purchase a minimum quantity of the necessaries of life for the labouring population generally, for a minimum quantity of time, to be reduced gradually from 12 to 6 hours a day, at the same intervals as the national encumbrances would be reduced by my plan; whereby they would only have to plead their own rashness in running into precipitate marriages, if they were obliged to lose this protection. You would thereby give the lie to Sir Robert Peel's assertion—that there can be *no legislation for wages*."

And when Mr. Charles Wood opened his mouth, I addressed

this note to him :—" Sir,—To show how little I attend to the proceedings in Parliament, I must inform you, that I was not aware, until Sir Robert Peel alluded to the fact the other day, that you were the Chairman of the Committee on Banking. I thereupon determined to watch what you might have to say for yourself on the subject of the new system of taxation introduced by Sir Robert Peel. I feel confident that you must have received a Letter, which I addressed to Lord John Russell, on this momentous topic; and of which I personally delivered 100 copies to various members of the Legislature, at the Clubs, in order that they might no longer have an excuse for reiterating the usual *twaddle* about the money-affairs of the country. I am not about to analyze your speech, but merely to pass some remarks on one word, 'Capital.' You tell Sir R. Peel, that the imposition of an income-tax will drive the capital out of the country. Now, let me entreat you to reperuse the Letter I have alluded to, " on the Causes of the Distress of the Manufacturing Classes of England;" and you will there find, that the first thing I enter upon, is to establish the fact, that *money* and *capital* are *different things*; and if, after having read it again, you do not agree with me, I must consider you too far gone in political economy ever to understand the real interests of your country: but, as a last attempt to enlighten you, I will now ask you what you mean by capital leaving the country?

"Do you mean to say, that the labouring classes, the source of all the *wealth of the country*, will leave it? If so, then you must be wrong in opposing an income-tax, (I offer no remarks on its unequal pressure); because the object of it is professed to be, to lighten the taxes on industry, and consequently enable them to live. Or do you, by capital, mean our 800 millions of national debt, or 33 millions of rags, or our warehouses, railways, docks, canals? If so, let me ask you, how the nation would suffer by the first *two* things I have named being transported to Paris or Siberia? Are our warehouses, railways, &c. &c. to be put upon trucks, and wheeled over to America; or are our canals to 'take up their beds and walk' across the channel to Ostend? I really cannot imagine any capital leaving us (by capital I understand the *produit of labour*), unless it be *money*,—that is, gold and silver; but of this we have so little, that unless it were to buy *wheat*, I do not think the Old Gentleman himself would be able to coax us out of it. Why, the Bank of England have absolutely lately got rid of £ 7,000,000 of paper, to replace it by £ 3,000,000 of gold, as shown by the last returns.

"Your relative, Lord Howick, gave the coup de grace to the poli-

tical economists, in that part of his speech wherein he so well likens the *self-interests* of traders to a well-regulated machine. Twenty years ago, I was myself a political economist by reading: subsequent practical experience has convinced me, that 'teaching your granny to suck eggs' is a synonyme for political economy."

But before I proceed to assign the causes of the prosperity of the non-productive classes, you will perhaps excuse my carrying you back to the Letter alluded to, that I may illustrate it by such examples as I find are necessary, from my having been imperfectly understood by several parties.

The first thing I wish to call your attention to, is my definition of money. Dr. Johnson says, in his Tour to the Hebrides,— "*Money and wealth* have, by the use of commercial language, been so long *confounded*, that they are commonly *supposed* to be the same;" and in his folio Dictionary, he defines money to be "*metal stamped for commercial purposes*." Now, here is good Tory authority to support me; but I will remind you only of one instance, from the Scriptures, of the antiquity of *money*:—"Then Joseph commanded to fill their sacks with corn, and to restore every man's *money* into his sack."—Genesis, chap. 52, ver. 25: and at verse 34, Joseph is made by his brethren to say,— "So will I deliver you your brother, and ye shall *traffic* in the land." Surely Joseph's brethren could not have found a *shadow* in their sacks! (Pray read again my first note, and the case of barter I give in page 34 of *Civis*.) The manner in which our paper-money becomes *real* money to the foreigner, though not so to us, is worthy your deepest consideration. It is a principle which has only sprung up of late; since, in fact, the continent have produced manufactures to rival yours. The above quotation also proves, that in those primitive times, trade, or barter, was carried on by a *substance*, the value of which was *perfectly understood* in a foreign country; and I think you will agree with me, that this substance could not have been houses, land, a ship, or a railway; for these could not have gone into their sacks.

There is another view to be taken of money, arising from the confusion in men's minds (alluded to by Dr. Johnson); which is, that money is sometimes said to be *very cheap*, from the fact that at *that time*, it might be had at a low rate of interest; or it is called dear because of the high rate of interest: yet we see sometimes a large amount of bank notes afloat, with a high rate of interest; and a smaller number, with a low rate. Six months since, as much as 10 per cent. was given for money; twelve months since, the rate was not higher, or so high. The quantity of money is not

greater now than six months since; and the rate has diminished to 2 per cent. All this only proves that money is *scarce* or *plentiful*, according as the interests of the *Bank* and *speculators* are in *apogee* or *perigee*. But the true meaning of dearness and cheapness of money (and with us it means paper), is how much will a sovereign buy of any article here and abroad, that is, in Europe. If a quarter of corn cost 30s. in France, and 60s. in England, money is to that extent cheaper in England: for this reason, putting aside the rent of the land in each country, all the other value is the labour bestowed on the raising of corn: but the value of the labourers' wages in each country, is just as little of the produce as will keep body and soul united; the money value of which may be estimated, in France, at 6d; and, in England, at 1s. per diem: ergo, as twice the amount of English money will only purchase a bare subsistence in England, as compared with France, money must be debased one half in England.

I wrote the above on the 5th September; on the morning of the 6th, I copied the following from the Morning Chronicle:—"Gross amount of paper issued last year, £34,881,182; ditto this year, £35,463,920." Yet the quantity of bullion in the bank had increased in this time £4,769,000. There can be no clearer proof than this of the falling off of the trade of the nation: for, on every preceding occasion on which the Bank were so flush of cash, they have been enabled to increase considerably the number of rags afloat, and thereby set all the world buying. It is certainly true, that they have induced a speculation for a rise in the *English funds*; but this arises more from the idea of the holders that they have a more *valuable bond* than they had before the imposition of the income-tax; but there is something particularly ominous in the fact, that the Foreign Stocks have almost all *receded*; on all previous occasions, a rise of  $\frac{1}{4}$  per cent. in the English funds, has produced 1 per cent. in the foreign. The price of manufactured goods remains nearly unaltered, notwithstanding they had been depressed 20 per cent., as shewn in Civis; and this proves that the *quantity of money* measures the *value of goods*. Every effort has been made to increase the circulation, both by forcing out notes, and in lowering the rate of interest; yet, I have been informed, that very recently, if not now, cotton has been within a farthing per pound as cheap as it was in the panic of 1825.

I have been defamed, Sir, for calling the holders of the national debt, *drones*, (page 5, Civis). Let me explain myself here. A man who gives up his money for the use of the State, may be legitimately entitled to be provided for by the State, in himself, his wife,

and children. My objection is, that the *descendants* of this man are *for ever* to have the privilege; or that they should have the right of selling this *perpetual bond*. I do not believe that the Parliament of England *contemplated, for a moment*, when they gave the power to the minister, that it should remain as an unceasing charge upon the nation. It was reserved for the political economists of the present day to consider its *perpetuity* as a national blessing, due, in the language of your Father, "from *ourselves to ourselves*."

My *drones* may, perhaps, be the non-productive classes of the political economists; but until they publish a dictionary of their technical terms, it is impossible for a man of common understanding to know what they mean by any of them. I have been highly amused, lately, by a correspondence in the Morning Post, between "a Member of the Pitt Club" and "an Anti-free Trader." The probability is that it is only a "*sham fight*," got up to mystify the public; but most of it turns upon who are consumers, and who are producers; and after several letters, they leave the subject just where it was. But, in truth, there are two sorts of productive consumers; those who live upon their industry; and those who live upon the industry of the first-named, by virtue of the means furnished by them:—two sorts of consuming producers;—namely, those who labour in the production; and those who find the means to set this labour in motion. Were the produce of labour fairly divided between these parties, their interest would be identical, and legislating for one would be for both.

But we have other parties in the state, who belong to neither of these classes;—those who lent their money to the Government, to lavish in foreign wars, and took an *usurious bond*, as I have shewn in *Civis*, pages 26 & 27; those who, by issuing spurious money, have got their fangs into almost every man's estate, real or personal.

To tell me that a fellow, who cajoles every one he can to borrow his *credit money*, (taking care to secure himself by mortgage, or assignment of personal property, whereby the *value* of the *real money* a man may have toiled a long life to realize, is depreciated, and which credit money has no other earthly effect but to enhance prices,) is a *producer*, is more than I can digest: he is a *consumer* of the labour of the productive classes I have pointed out.

There are also all those beaux, we daily see stepping out of their carriages, cabs, street omnibuses, &c. into the Custom House, Excise Office, Somerset House, &c. There are other classes I shall name elsewhere. Now all these I call *drones*; for of all

those I have just named, there is scarcely one who does a fair day's work; and if justice were done to the public, they would have no occupation.

I will here state, that a gentleman who had read *Civis*, sent me word that there was nothing new in my definition of money (I never said there was); and as a proof, he sent me a pamphlet, published nearly 50 years since. Now, Sir Robert, imagine my horror in finding myself in the presence of——Tom Paine; a man whom I had been taught it were unsafe for the strongest minded men to hold converse with; but, conceive my amazement, at finding, that, not only were our ideas (on the subject of money) in unison, but that so absolutely identical is our language, that, except those who know that I am incapable of telling a falsehood, I would not ask any one to believe that I was ignorant Paine had written on the subject. I certainly had heard it asserted in Parliament, that Paine used to say “that paper was strength in the beginning, and weakness in the end;” but I was ignorant from which of his writings they had drawn the expression. I have heard that he was considered a man of talent; and for this reason his writings were decried as likely to be influential: and I can well believe, that if he had written nothing *beyond this pamphlet*, that, with a certain party in this country, he would be considered a great rascal. Men who write for the benefit of the *people*, in checking oppression, must expect this; and even the education of them has met with resistance in quarters where nothing but support ought to have been expected. No man could object to the acquirement of knowledge in another, unless his selfishness taught him, that he had something to lose by it. Pray read it, Sir Robert, it only costs three-pence; from this cheap rate of publication, I suppose that it must have been published by the society for the *Diffusion of Useful Knowledge*. You will find that I have given a few extracts, referred to as corroborative of *Civis*.

Permit me to illustrate my observations (page 1, *Civis*), on the loss of English capital, by a quotation from T. Paine's *Decline and Fall of English Finance*. “The same fate would have happened to gold and silver, could gold and silver have been issued in the same abundant manner that paper had been, and confined within the country as *paper money* always is, by having no circulation out of it; or, to speak on a larger scale, the same thing would have happened in the world, could the world be glutted with gold and silver, as America and France have been with paper.”

At Page 2, in *Civis*, I have endeavoured to expose the folly of considering land, &c. as money.



Let us follow out this idea. We have 800 millions of national debt, every holder of which fancies that he could convert his proportion into *money*. The value of the land in England is estimated at £ every holder imagines it to be convertible into *money*. The Railways of England, 80 millions, the holders fancy *are money*. All houses, docks, ships, no owner doubts he could convert into *money*. Yet, in the panic of 1825, it was ascertained that the gross amount of *money* wanted, did not exceed 11 millions; but this *paltry sum* upset every body, and every thing, and brought the country to within 24 hours of barter. Now, Sir, reflect on the mass of property which might be brought to bear at any one moment against any quantity of gold which the Bank may have, through the agency of the notes !!!

When the Duke of Wellington, and his administration, reduced the 4 per cent. Stock one half per cent. of the annual interest, by pretending that he would pay them off, the few holders who had sense enough to demand their money (only amounting to 4 millions,) reaped the advantage of their firmness; for they were enabled to reinvest their money on much better terms than those who accepted the new Stock. Why was this? The Bank had to create the money to pay them off;—observe, only 4 millions; yet we have it in evidence before the Committee, 1832, that the creation of this insignificant sum upset the manœuvres of the Bank, and it was years before they recovered from this affair.

At page 4 (Civis), I endeavour to prove, that unless money be created, no derangement takes place in prices by purchases and sales. I have heard it asserted, aye, and by very knowing ones, that bills of exchange are money; and that the quantity of them influences prices. This is certainly true, if money can be made to cash these bills of exchange; but if not, they cannot materially interfere with prices. A imports a cargo of cotton, which B wants to manufacture; B gives his bill for the value, say at six months; but A has to pay for the cargo. If he be a monied man, he does so from his means; and puts B's bill into his till until it becomes due; but if he be not a monied man, he either endorses B's bill to the party to whom he is indebted for the cargo, or he discounts it with a party who has money. In the meantime, B manufactures the cotton, and sells it for ready money, or takes bills. He either pays A with the money, or these bills; or he gets some one who has money to discount them. Let us call this party, C:—ergo, C's money goes to B, who either pays the discounter, or A, as the case may be. But A has previously paid the party from whom he imported the cotton; so that, in this transaction, the only thing

that is gained, *is time* to make the payment in: but time is represented by interest, for which a payment is made; therefore, bills of exchange, *per se*, *create no money*.

Now for the other side of the picture. A, the importer, takes B's bills to a money-maker to be discounted: the money-maker *creates notes* to discount the bills with: the difference in the price which he buys his cotton at, and sells it to B, is so much more money thrown into circulation: consequently A circulates his profit on the transaction as money: he is worth so much more *money* than he was. B, when he manufactures the cotton, discounts the bills he receives in payment, with the *money-maker*; consequently B's profit on the transaction is so much more money thrown into the circulation. Who can doubt that increased prices must ensue from this? But if there had been no creation of money in this affair, the thing would have stood thus:—A's profit would have increased *his* means in money, and enabled him to drive a better trade: B's profit would act in the same way; and C, the discounter, would have reaped his share of the transaction in the interest he would have made of *his* money. After all, it is C's money which pays the grower of the cotton, through the agency of D, who has to receive payment of a countryman of the cotton-grower, for perhaps the identical cotton sent back to the cotton-growing country, in the shape of printed calicoes: ergo, in a natural state of things, the manufacturing country must have a balance in money to receive, in all its transactions with other nations; because they give in exchange, articles on which more labour has been employed, for that on which less has been bestowed, supposing the trade to be confined to these two countries: hence, the manufacturing country must become *immensely rich*.

This is the *abstract theory* of the question; but the reality is very different. Where could the country which only produces *the cotton*, get the money to pay the difference in value between the *raw* and *manufactured* article from? It is an impossibility, consequently, to pay for the printed calicoes: they must transmit such an *increased* quantity of the raw material as is equivalent to the value of the manufactured cotton: hence, as all the raw material, when manufactured, cannot be sent back to the country from whence it came, it must find its way to some other country, in exchange for money, or some other commodity. Should this be wine, *this wealth* is dissipated, perhaps, at the Blackwall Tavern, in one day.

At page 5 (Civis), I show how paper money is absorbed into the circulation. It has been objected to this statement, "that the

paper money has only displaced the gold previously in circulation ;'' but a careful reperusal of the paragraph will show I am endeavouring to prove that, that which had not *been* considered as *money* before, was (by the permission given to make paper money, which was represented in the banker's coffers by the title-deeds of estates, houses, &c. called securities), in fact, increasing the quantity of *circulating medium*. There is no question that gold was abstracted from circulation, and was replaced by paper ; but only so much paper could have been circulated as represented the gold, otherwise the paper would have been afloat *without any thing to represent it in the banker's till*. No person can be fool enough to suppose, that those who issued paper, to get gold into their possession, could have done so from any other motive than to part with the *gold* ; for had they done so, they were issuing *that* which must have cost them something (however little) to print, to get that which was of no use to them, and of which they had the chance of being robbed. It is this narrow view of the subject which has engendered the idea of *gold lying idle in the banker's hands*, and of which the knowing ones have made such use. Now, it is obvious that if I went to a banker, and wanted an advance of *his notes*, he would (if he required no better) at least have my bill, or promise to pay, on *demand* ; and against his notes, as debits, he would place my note of hand as credits, being numbered amongst his securities.

But I have had the modesty, in this example, to consider the issues of paper money only to have *doubled* the circulation ; I can form no reasonable estimate to what extent they had pushed it during the late war, There can be no question that enormous sums of the paper money have *exploded* since your bill of 1819, and that prices have in consequence materially lowered ; but I have the authority of Colonel Torrens, that the banking interest consider they are safe if they can pay 4s. in the pound ; and S. J. Loyd considers them as safe as a church if they can pay 6s. 8d., which Cocker would say was trebling the circulation. It would be a great treat to have a catalogue of all the different articles the makers of paper money have taken as securities on which to issue their rags. I have known wheat-stacks to be pawned to them, so that even the food of the people has been converted into *money*. But, Sir, for what purpose ? Simply that the farmer might not be *obliged to sell* ; so that, by withholding his crops from the market, the price was sure to rise ; and as he was very shy of raising his wages, the payment came out of the pockets of the *bulk of the population*, amongst whom bread is the main article of subsistence.

Now, Sir, hear T. Paine on this subject :—" It will always happen, that the price of labour, or of the produce of labour, be that produce what it may, will be in proportion to the *quantity* of money in a country, admitting things to take their natural course. Before the invention of the funding system, there was no other money than gold and silver ; and as nature gives out those metals with a sparing hand, and in regular annual quantities from the mines, the several prices of things were proportioned to the quantity of money at that time, and so nearly stationary as to vary but little in any fifty or sixty years of that period.

" When the funding system began, a substitute for gold and silver began also. That substitute was paper ; and the quantity of it increased as the quantity of interest increased upon accumulated loans. This appearance of a new and additional species of money in the nation soon began to break the relative value which money, and the *things it will purchase*, bore to each other before. Every thing rose in price, but the rise at first was little and slow, like the difference in units between the first two numbers, 8 and 12, compared with the two last numbers, 90 and 135, in the table. It was, however, sufficient to make itself considerably felt in a large transaction. When, therefore, government, by engaging in a new war, required a new loan, it was obliged to make a higher loan than the former loan, to balance the increased price to which things had risen ; and as that new loan increased the quantity of paper in proportion to the new quantity of interest, it carried the price of things still higher than before. The next loan was again higher, to balance that further increased price ; and all this in the same manner, though not in the same degree, that every new emission of continental money in America, or of assignats in France, were greater than the preceding emission, to make head against the advance of prices, till the combat could be maintained no longer. Herein is founded the necessity of which I have just spoken. That necessity proceeds with accelerating velocity, and the ratio I have laid down is the measure of that acceleration ; or, to speak the technical language of the subject, it is the measure of the increasing depreciation of funded paper money, which it is impossible to prevent, *while the quantity of that money and of bank notes continues to multiply*. What else but this can account for the difference between one war costing 21 millions, and another war costing 160 millions.

" It is said in England, that the value of paper keeps equal with the value of gold and silver. But the case is not rightly stated ; for the fact is, that the paper has *pulled down* the value of gold and silver to a level with itself. Gold and silver will not

purchase so much of any purchaseable article at this day as if no paper had appeared, nor so much as it will in any country in Europe where there is no paper. How long this hanging together of money and paper will continue makes a new case; because it daily exposes the system to sudden death, independent of the natural death it would otherwise suffer."

Having shown in the same page (5 of *Civis*), that labour constitutes value, I will now show how rents arise. Rent is usually much misunderstood. Its strict definition is the *saving of labour*, or that amount of the *wages of labour* which is saved to the farmer of land, from its proximity to the market where the produce of land is to be sold. For example, if we suppose two farms of equal size and fertility, to be situated the one two miles and the other one mile from a town, it is obvious that *one horse* would do the work in half the time, or take two loads to the others one; consequently the labour saved would allow the one farmer to pay more rent than the other. This is in fact the advantage which the home grower of wheat would have over the foreign, were this country in a *natural state*.

There is another element of rent, and that is the relative fertility of soils; and this accounts for some land letting at £5 per acre, and others at 5 shillings. Further, there is another component of rent,—the interest of the money which the farmer would have to pay for the land were he to purchase it instead of *hiring*. Combining all these considerations, I cannot think that the rent of land in this country is *exorbitantly high*, bearing in mind the quantity of artificial money we are obliged to make use of. As far as I am able to judge, the owner of 1000 acres of land on the continent of Europe, (supposing them to be of the same fertility as 1000 acres in England,) is as well off as the English landlord; that is, that his rent will procure him as many of the comforts or luxuries of life as the English landlord's.

Now look to observations on the proportion of taxation as compared with income at page 6 (*Civis*). Convinced of the truth of this position, I cannot think that any attempt to lower prices in this country can be beneficial until the encumbrances are removed. Your tariff will either have this effect or not. If it have, then £100 a year in taxes will be felt in proportion to the reduction of prices and profits; and if it have not this effect, then admitting the products of other countries at reduced duties, will throw so much profit into their hands, to the disadvantage of the home-producer. Example;—if a pair of boots cannot be manufactured

under 25s. in England, and can be exported from France for 15s., the boot-trade must pass into the hands of the French. This is no fiction. I have known parties who have their measures taken in London, the boots are made in France, and sent over here, and cost half the price of London ones, even with *the duty*; therefore reduction of duty is a *bonus* to the French. I perceive (May 11,) you look to no higher protecting duties than 20 per cent. You may be quite right, that such an amount of duty is the only effectual check to smuggling; yet it does not prove that 20 per cent. would protect the home-manufacturer: indeed, I feel convinced that it will not. High protecting duties are undoubtedly a premium to smuggling, but the evil arises from the necessity of having *protecting duties at all*. The real question is, can your manufacturers or trades afford to work for lower prices? for lower prices will cause less money to circulate, consequently all incomes derived from trade and manufactures will be less in *nominal amount*. This must enhance the proportion which each has to pay in taxes to the State, seeing that they remain the *same*; ergo, a reduction of prices, without a reduction of taxation, is inexpedient.

The Attwood school of political economists propound the doctrine of the *more money the less the pressure* of any previously existing money obligation, and there is no question of the *abstract* truth of this position; but if this be admitted, there is also its converse, the *less money the greater the pressure* of previous money obligations: hence the danger of attempting to lower prices in this country, without providing for the extinction of the debt.

It is highly amusing to see our legislators blundering on with their free-trade notions: the same men giving the lie to their assertions, by their eager advocacy of the right of *patents*;—twisting the law in every possible way to protect an invention to an individual, which they are throwing away for the *nation*;—whole nights debating on the advantage of protecting a paltry invention of a pattern in calico-printing, or the private interest in a *novel*, and passing perhaps on the same evening, a law to allow the exportation of our machinery duty free;—the great champion of *free trade*, in a *monopolist parliament*, refusing to allow reform in the Corporation of London, with all its privileges, crafts, and mysteries; and giving utterance to the doctrine, “buy cheap,” (no matter how or where,) and “sell dear.”

Turn we now to the employment of our best workmen in foreign factories (page 8, *Civis*): and to my question, how can dearness compete with cheapness? and if you doubt of my having

satisfactorily accounted for the *dearness of England*, read Paine's definition of dearness.—“ I have just mentioned that paper, in England, has *pulled down* the value of gold and silver to a level with itself; and that this *pulling down* of gold and silver money has created the appearance of paper money keeping up. The same thing, and the same mistake, took place in America, and in France, and continued for a considerable time after the commencement of their system of paper; and the actual depreciation of money was hidden under that mistake.

“ It was said in America, at that time, that every thing was becoming *dear*; but gold and silver could then buy those dear articles no cheaper than paper could; and therefore it was not called depreciation. The idea of *dearness* established itself for the idea of depreciation. The same was the case in France. Though every thing rose in price soon after assignats appeared, yet those dear articles could be purchased no cheaper with gold and silver than with paper, and it was only said that things were *dear*. The same is still the language in England. They call it *dearness*. But they will soon find that it is an actual depreciation, and that this depreciation is the effect of the funding system; which, by crowding such a continually increasing mass of paper into circulation, carries down the value of gold and silver with it. But gold and silver will, in the long-run, revolt against depreciation, and separate from the value of paper; for the progress of all such systems appears to be, that the paper will take the command in the beginning, and gold and silver in the end.”

I will now call your attention to pages 13 and 14 of *Civis*, and then to the following extracts from a letter in the “*Times*” of this day (October 1), signed “*A Plain Man*.” (The whole is worthy of perusal). I think he must have read *Civis*; but if not, it is pleasant to be corroborated.

“ Now the corn-trade of this country is in fact in the hands of a large body of capitalists:”—and again,—“ Cattle form an article which none but a man of large capital can deal in successfully. At the very time when butcher's meat is *high* in Smithfield market, it often happens that the grazier is selling his cattle at a low rate.” Again,—“ The *bald abstract dicta* of the economists are worth nothing when they come to be applied to the *infinitely varied and intricate operations of commerce and trade*.”

But, Sir, who are these capitalists who forestall and regrade all the markets for food. The banker? No, (at least but seldom;) but those men who, when they see there can be no glut, imme-

diately manufacture bills, which they get discounted with *money that was not in existence before*. But see how this favours their operations. The money which they now throw into the circulation has a natural tendency to *increase* prices, as well as to enable their victims to buy of them at an advanced price. But when they *have bought*, their interest is to force them to part with what they have purchased, and having *lent them* the money to *buy with*, the demand for repayment forces them to sell.

Considering Lord John Russell as a sort of abstract politician, a book-learning statesman, and you as a regular *old file*, (any city wag will explain to you the meaning of this term,) I do not feel the same delicacy towards you. I shall therefore give you an example on this subject, premising that, in *every market*, there is, for the time being, a *presiding genius*, with his satellites, yclep'd brokers.

In the year 1835, there was a great mania *for speculating* in Spanish Bonds. The "genius loci" was old ——. He instantly saw his game; he began to buy with them. The price of this *article of commerce* had ranged for some previous years from 8 to 12 per cent. He not only bought very largely, but lent unlimited sums to every one who was inclined to speculate (through the agency of his brokers). And here let me say, that there were but few of this class who were but too happy to get a commission from ——. Well, in the beginning of May, he succeeded in pushing up the price to 71 or 72. Every one said, that they were sure to go to 85 or 90. When the account on the 15th May came, all perceived that there was an enormous quantity of stock afloat; the rate of interest was ridiculously high, but all this was attributed to the increased price absorbing so much more *money*; yet Mr. ——'s brokers lent all that was wanted, and the settlement of the account passed off *easily*. As soon as it was over, enormous amounts of stock were thrown on the market, but the confidence of the speculators for the rise was not shaken. The —— brokers still talked of a further rise; but at last they gave notice, that the scarcity of money was so great, that they should not be able to continue their loans on the next account. The price dropped to 50. The account came, and although the price was nominally 50, attempts were made to sell stock at 40 *ineffectually*. It was then discovered, that —— had not only sold all he held, but large amounts in addition. The upshot was, that the account could not be settled at all, and hundreds of families in previous affluence were reduced to beggary.



So cunningly was this affair managed, that — knew the brokers to whom the dealers had to deliver stock; and in order to secure himself, he gave instructions to *his* brokers to deliver the stock to *those* brokers, lest the dealers should not be able to pay for it. It so happened, that I was in the office of a broker when twenty thousand Spanish Stock was brought in by one of Mr. —'s agents to be paid for; when the broker very properly replied, I have no stock to take of you, Sir; I am quite prepared to pay the dealer of whom I have to take it. There was one of Mr. —'s agents who behaved exceedingly honourably on this occasion. He exhausted all his private means in lending money to those who were in distress, and I believe suffered materially from his liberality. I should be happy, if I dared, to record his name.

At pages 17 and 22 of *Civis*, I show that the Bank have no means of purchasing gold. Only see how completely I am corroborated by the following extract from Paine. "One of the amusements that has kept up the farce of the funding system is, that the interest is regularly paid. But as the interest is always paid in bank-notes, and as bank-notes can always be coined for the purpose, this mode of payment proves nothing. The point of proof is, can the Bank give cash for the bank-notes in which the interest is paid? If it cannot, and it is evident it cannot, some millions of bank-notes must go without payment; and those holders of bank-notes who apply last will be worst off. When the present quantity of cash in the Bank shall be paid away, it is next to impossible to see how any new quantity is to arrive. None will arrive from taxes; for the taxes will all be paid in bank-notes: and should the Government refuse bank-notes in payment of taxes, the credit of bank-notes will be gone at once. No cash will arrive from the business of discounting merchants' bills; for every merchant will pay off those bills in bank-notes, and not in cash. There is therefore no means left for the Bank to obtain a new supply of cash, after the present quantity is paid away."

I also endeavour to prove, (page 17, *Civis*.) that no fixed proportion of gold can be kept. A friend, when he came to this part of the Letter, observed,—“surely if the Bank had 10s. in the pound in gold, and were obliged to keep that amount, they would be safe.” I gave him the following case:—the Bank have £20,000,000 of notes out, with £10,000,000 of gold: there arises a demand for gold to the extent of £5,000,000: to meet this, 5,000,000 of notes are sent in, leaving £15,000,000 of notes

and £5,000,000 of gold as the circulation. Here we have 6s. 8d. in the pound, instead of 10s. ; and if it be obligatory on the Bank to have 10s. in gold, they must withdraw 5,000,000 more notes from the circulation ; so that a demand for bullion would create a necessity to curtail the circulation to *twice* the extent of such demand. I have shown in the preceding paragraph, that the *goods* of the Bank will not purchase gold ; it is therefore plain that *any quantity of paper in circulation, above the amount of gold in the Bank, cannot be withdrawn from circulation ; ergo, all that paper, (which is credit,) enters fixedly into the price of commodities.*

It has become the fashion lately, for the merchants to put their sons into the Bank direction. This answers two purposes : they personally avoid the imputation of playing with loaded dice, possessing at the same time the same information : and it suits the old coves in the direction to have young ones to manage. But, if rumour speaks true, there has been some rare battling lately amongst them, on the subject of *enlarging the currency*. Supposing some of them to hold large stocks of their respective commodities, one might fancy that spreading the rags out far and wide, would give them a chance of *getting out*.

Now, read what I say about the Bank, at page 21, *Civis* ; and our lavish expenditure, at page 30, *Civis* ; and then read these two extracts from Paine :—" How its *duty to the public* can induce it to *overstock that public* with promissory bank-notes, which it *cannot pay*, and thereby expose the individuals of that public to ruin, is too paradoxical to be explained : for it is the credit which individuals *give to the Bank, by receiving and circulating its notes*, and not upon its *own* credit, or its *own* property, for it has none, that the Bank sports. If, however, it be the duty of the Bank to expose the public to this hazard, it is at least equally the duty of the individuals of that public, to get their money, and take care of themselves ; and leave it to *placemen, pensioners, government contractors*, Reeves's association, and the *members of both Houses of Parliament*, who have voted away the money at the nod of the minister, to continue the credit if they can, and for which their estates individually and collectively ought to answer, as far as they will go.

" Insolvency always takes place before bankruptcy ; for bankruptcy is nothing more than the publication of that insolvency. In the affairs of an individual, it often happens that insolvency exists several years before bankruptcy, and that the insolvency is concealed and carried on till the individual is not able to pay one

shilling in the pound. A government can ward off bankruptcy longer than an individual: but insolvency will inevitably produce bankruptcy, whether in an individual or in a government. If, then, the quantity of bank notes payable on demand, which the Bank has issued, are greater than the Bank can pay off, the Bank is insolvent; and when that insolvency is declared, it is bankruptcy."

Having carried you through my recapitulation to page 25 Civis, I beg of you, Sir, to send to your minister at Washington, to procure all the American writings on this subject. I would also strongly urge you to read President Jackson's speeches. I much regret having lost an American paper, accidentally sent to me. It contained a long speech of a Mr. Taylor, of Ohio Senate, wherein he fully shows that at least some Americans are aware that the *paper money* has been the cause of their present deplorable condition.

There is an omission in my statement of the national debt at page 27 Civis, which I beg here to correct. I ought to have shown that there is a part of the national debt which was not created on these terms; I mean the Navy Bills and Exchequer Bills: and here I cannot help noticing the unfair way the holders of the Navy 5 per cents. have been treated. They who absolutely lent the government £100, have had their interest reduced  $1\frac{1}{2}$  per cent; while those who only lent about £60, receive the same rate. It is said, the Government have a project of again reducing their interest. This is a species of jugglery that I sincerely hope may be defeated; and defeated it will be, if the holders are true *to themselves*, and demand their money. If any one doubts the truth of this remark, let him consult the report on the Bank Charter in 1832; and he will discover, that on the last conversion, the demand for about £4,000,000 of money nearly upset the Bank of England.

At page 32 of Civis, after the word consumer, I beg to add, I have had this statement confirmed by a friend in the paper-staining trade, since the tax has been taken off paper. But notwithstanding this, there are three paper-stainers since the alteration in the tax for one before; and instead of large fortunes being made in the trade, I have no doubt *many families* will get a living.

I wish to point out, that Lord Monteaigle, in the debates in the Lords on 19th April, 1842, quotes the population returns to *suit his purpose*, without *including Ireland*. I am aware that, for the whole period, we had no correct returns of its population; but Potter in his work gives them for 1811 to 1831. Now I am informed (for the British Almanack does not give the Census of

Ireland for 1841. Why?) that there is no sensible increase in the Irish population from 1831 to 41. If, therefore, we take the population of the United Kingdom in 1821—31, and 1831—41, the result shows a decrease *in the increase*, of one third for the last ten years. Now I imagine that the full effect of productive causes cannot take place in the space of ten years: it is for this reason that I asserted that the population was likely to recede.

The rate of increase in the population of the United Kingdom can be the only sure guide; because, although the last return for Ireland may give no increase, yet it does not follow that Ireland may not have contributed her share to the increase, and the returns be falsified by the number of Irish who are employed in and included in the returns of England.

Believing, after much reading and reflection on the subject, that the only law of population is that by which people undertake the responsibility of marriage in the reasonable expectation of being able to rear a family, and that this law acts most efficiently the more intelligent and enlightened a nation becomes, it were a very desirable thing to ascertain to what extent the well-known *recklessness* of the Irish character, shown in nothing more forcibly than in their improvident marriages, may have contributed to the apparent increase of the English returns. My own impression is, that the number of Irish *now* residing in England has been greatly on the increase during the present century; but when a nation is led astray by fictitious prosperity, such as a rise in prices, created by issues of paper money, the prudential motives are overcome. It would be a great lesson if one could ascertain how many unfortunate wretches were hurried into matrimony by Prosperity Robinson, in 1824 and 5; but it is worthy of notice, that the population was on the increase so long as the rags were on the increase; and since their *decrease*, the population has ceased to increase in the same proportion.

There is only one further explanation of *Civis*, which I think called for, and that is, my reasons for stating, (at page 35,) that the National Bank notes should be a legal tender. There is no part of the pamphlet I have stronger grounds for defending; but in this case "discretion is the better part of valour." I am quite ready to pour them into your private ear; but "*salis populi*" prevents my publishing them, lest the enemy should take advantage.

Now, Sir, let me beg of you to call a meeting of your agricultural supporters, and read to them what I say (pages 6 and 10 of *Civis*). I full well know that the paper money men have most of

them in their clutches ; but then read to them my description of the manner in which the *rag merchants* get them into their net (Page 35, *Civis*) ; impress on their minds the advantage it would be to them to submit to *any income-tax*, in order that they may be liberated from the confounded clamour of the Anti-corn-law League, particularly as I have especially provided against the paper lords seizing their estates (page 37, *Civis*) ; and as they have the power to pass a corn-law, which (perhaps through the medium of a revolution) will most assuredly some day be wrested from them, surely they could carry out this *most equitable* adjustment of their pecuniary obligations.

I have clearly shown that the money borrowed was a depreciated one ; in fact, any landlord who has borrowed to the extent of *one-half* the present estimated value of his estate, has really borrowed more than its *true value* ; and I have little doubt that the paper lords would be very glad to get quiet possession of them, and give a *release in full*, should they ever come to a gold value (one-third of their estimated value). Show them that, as they live upon the produce of the land, it can be of no consequence to them what the nominal money value may be, seeing that their proportion will purchase as many necessaries and comforts in either case ; but that a high price is an injury to those who live by selling the produce of their labour *to a foreigner* ; for even supposing an Englishman could produce a yard of cotton at the same price as a foreigner under existing circumstances, yet, if his expense in *food* were to be lowered, he would be benefited without any injury to the landlord. Tell them that a man in debt is never a free agent ; that an explosion of the rags *to-morrow* would legally pass their estates into the hands of those who are wealthy without having worked for their riches. Assure them that, by adopting my plan, they would gradually free themselves ; and exterminate as gradually these locusts of English industry.

I have stated (page 26, *Civis*), that the National Debt, constituting three-fifths of the national expenditure, contributes in that proportion to the distress of the working-classes ; but the truth is, that I much understate the fact. If you look to what I have said in my Letter to Lord J. Russell (pages 9 and 10,) on the true value of a sovereign, you will immediately perceive that two-thirds of the remaining two-fifths of the national expenditure might be reduced, and leave every one employed by the Government as well off as they are now ; that is, excepting those employed in collecting the revenue, who would be exterminated, (bad cess to them as paddy would say.) We should thus have to collect from the

people only £6,666,666 (50,000,000 being taken as the income); but, Sir Robert, the cunning of Whig and Tory has kept a very important fact out of sight, namely, that it costs the country £3,500,000 to collect this £50,000,000; so that, with the extinction of the National Debt, you might convert your Custom Houses, Excise Office, and Somerset House into hospitals (not one of them would be required for a lunatic asylum). The only revenue required would be your 3 per cent. income-tax, about £3,000,000, and the cost of collecting your present one; yet this again would be diminished by the reduced expenditure, which I shall have occasion to point out hereafter. But see what an advantage would arise to the Tories *herefrom*. All that we Radicals, including the *Whigs*, have ever contended for, is, that "*Representation should be coextensive with taxation.*" See how you would shut our "potatoe traps." Why, you would be able to have any sort of Parliament you liked. We should have no objection to the Cabinet choosing the *people's representatives*. There is only one thing I should veto, which at present forms a clause in the People's Charter, "*paid members.*"

And now, Sir, let me do a bit of puff, and show what a clever fellow I must be to have anticipated you (the genius of the land) in proposing a property and income-tax as the best means of alleviating our difficulties (see page 28, *Civis*); but then I proposed it with the view of getting *rid of taxation*; but you only propose it as a make-shift, to get over what you consider a temporary pressure: but I take the liberty of telling you that it is not a temporary pressure; and I shall show you hereafter, that strict economy would have made your revenue equal to your expenditure: and I here tell you, I would not give a *fig* for any system of finance that was not based upon the principle of repudiating the system of *anticipating the resources of generations yet unborn*.

I know that all our governments have been taught to believe, that they would not be able to raise money when they wanted it, upon terminable annuities. This is no doubt true, provided those who wanted to lend were sure that by rejecting them they would get *perpetual* ones. But if the sense of Parliament had once pronounced them *unjust, iniquitous, and unlawful*, there would be no want of money. There is scarcely a builder in the country who hesitates to invest his capital in building on leasehold ground; and many insurance companies take annuities in preference, when they yield a very trifling increased rate of interest.

I will now refer you to page 31 of *Civis*, alias *Snooks*, and tell you that you have begun to burn your candle at the wrong end.

Read what I say there on internal taxation; and then refer to Hansard, for the report of your colleague's (the Earl of Ripon) speech, and see how he confirms me; and if you fancy he does not, explain to me what he means by saying that the difficulty which a Government finds, is in "taking off a tax" rather than in putting one on. As well as I recollect, (for I have it not to refer to,) no speech during the whole session was so well worth the taxpayer's perusal as "Prosperity Robinson's."

Now read page 32 (Civis), and then take up your own report on the "Fine Arts," (I mean as one of the Commissioners;) and at page 6, in the Appendix, you will find this sentence:—"The experiment as regards private patronage seems to have been fairly made, and the gradual change to *reduced dimensions* appears to have been the *consequence* of the insufficient demand for large works, arising in a great degree from the *limited size of English dwelling-houses*." Have I not shown you that Englishmen are driven into *small houses* to avoid taxation.

I have resided in countries, the walls of the houses of which were covered with *fresco paintings*, the rooms three times the size and height of English rooms, the inhabitants living comfortably upon *one-third* the income of an English gentleman.

You know nothing of your countrymen, if you fancy that they would not prefer living in large houses; but, Sir, the very bricks of which their walls are built are taxed. But there are several cases in that report, which confirm what I have stated; the moral to be drawn from them, I dare say never entered the heads of those who drew it up.

Refer to page 29 of Civis, and read what I have to say on the prices of this country. I have heard something of one of your colleagues having written a book about Belgium,—how cheap, &c. &c. things are done there. I think I have heard their railroads cost about one-third the price of English ones; but then put on your considering-cap, and reflect that Belgium *has dabbled* more in *paper money* than any other continental state lately; that they have more failures there than any-where else (except America and England); and then couple this with the fact, that *prices* are higher in Belgium than elsewhere on the continent, and yet she is three times as cheap, or, if you like it better, as cheap again as England!

Permit me now to refer you to my observations on emigration, (page 33 Civis); and then again to puff myself, by asking how it was that we heard not a word this last session about *emigration*!

I will finish my observations on my *first* effusion as a public writer,

by requesting your attention to the works of Mr. Peppercorne on the "Rights of Necessity," &c. &c. These were handed to me as confirmatory of my quotation from the Jewish laws. Had I the learning and ability displayed by that gentleman, I should have no fear of being able to force on that course of reform, without which I firmly believe this nation cannot be saved. I would here beg you to read the note, page 38, of Mr. Peppercorne's "Rights of Necessity," as well as the note, page cxxxii., of his essay on the "Fertility of the Holy Land," bearing in mind that he is a *conservative*; and then I will leave you to marvel how two people of such opposite creeds can so much coincide in opinion as to the cause of our distress. I have learnt this lesson from it, that honestly inclined people, of whatever political creed, differ only as to the agency for carrying forward ameliorations of our condition.

I will now proceed to illustrate the title of this Letter, and I think you will perceive that I attribute the success of the non-productive classes to the power acquired by the paper money. My task will therefore be confined to expose the workings of the system.

The paper banker must first find himself customers; and this is easily done. If you had not been born with a silver spoon in your mouth, you must have learned, by your intercourse with tradesmen, that the ruling idea in their minds is, that if they had a little more capital, they should be sure to make their fortunes. Old sayings have a prodigious influence for good and evil over the minds of ignorant men, and "money gets money" is one which it were in vain to deny. The banker meets Mr. A.—Well, Mr. A, how goes business with you? Oh, pretty well! all I want is a little more capital. Well, Mr. A, perhaps I can assist you. The house you live in is your own, I think;—how much would set you up? £500, sir. Well, write me a letter, requesting an advance on the title-deeds, and I will let you have it; but keep it to yourself, or I shall be pestered to death to make advances. A is all right now. In goes a splashing new shop-front;—down come the goods from the warehouses,—things that were never wanted, or perhaps never will. A begins to think he shall never want money again. His wife would like another maid to carry out the baby. Expenses increase in every way. New wants are engendered by the apparent ability of procuring them. The last orders from the warehouseman have not gone off so well as he expected; but a more fashionable assortment may, particularly as the dealer (seeing an appearance of prosperity) is not pressing for payment,—is in no hurry at all,—(he has heard that the house



belongs to the tradesman)—the more goods he can stick into such a customer the better. The £500 borrowed of the banker are at last gone. Some payments must be made to the warehouseman ;—but, no cash in the till. The banker is applied to for more accommodation. How came you in difficulties? I am not in difficulties, but I have a payment to make, and you know I cannot get my money in. Very true! very true! but have you any security to give me? Not any! Could you not draw a bill on some one? Your mother has plenty of money. Besides, before the bill comes due, you will be able to get in some cash. If you explain this to her, I have no doubt she will accept the bill. I shall then be most happy to discount it for you.

Need I follow this out. The same reckless expenditure goes on. The banker will renew the bill as often as the old woman will renew her signature ; until he considers her no longer safe. The spendthrift tradesman is suddenly brought up by a refusal of further accommodation : the mother is obliged to sell all to pay it ; and perhaps half a dozen girls are thrown on the world, to earn 6d. a day at needlework ; and the bankrupt tradesman may, probably give his ruined mother the shelter of his wretched habitation ; the banker having sacked out of his credit perhaps £1000, and made this poor fool the tool to set his rags afloat. But see the effect of this. This idiot's bankruptcy forces the sale of his stock at any thing it will fetch ; and any tradesman, in the same line of business, in the same place, cannot get a fair profit on his goods, and goes back in the world without any fault of his own. But do not imagine that the case I have given is an imaginary one. I tell you that there is scarcely a family in England employed in trade, who cannot produce a case somewhat analogous to this. Nor is it confined to trade. In whatever family there is money, and dashing youths to spend it, the same thing has occurred. But mark, Sir Robert ;—this ninny's mother, had she been asked by the son to give up her own and her daughters' maintenance, to forward her son's notions of increased trade, would *instantly* have refused. It is their ignorance of the consequences, and being led on by *not being called upon* to find the cash for the *first acceptance*, that leads them into the money-maker's net.

Let us now look at the action of the system on those employed in agriculture. A farmer sends his corn up to a quaker factor at Mark Lane. He gets a letter to tell him that it is not advisable to sell his wheat ; the price is sure to rise ; but if money is an object to him, the factor has no objection to advance so much on

it. This advice is probably given because the factor is a holder himself; and if this wheat were sold, it would have a tendency to prevent his getting a higher price for his own; or if the market were over-stocked, it would tend to depress the price: or if this factor were not himself a speculator, the probability is, that he is factor to a *speculator*, from whom perhaps he gets £100 commission for every £1 from his country client; and he gives the same advice, because it suits the purpose of his *rich* master. However much the market rises, he still gets the advice,—don't sell, the prices will be higher. At last the farmer sees by the papers that the prices are falling, and orders the sale. The factor replies, that the fall has only been occasioned by a few *forced sales*, but is sure to recover. In the mean time, the factor, or his master, have *got out*, and some fine morning the farmer receives a letter, that the factor is exceedingly sorry that the market has taken an unexpected turn, that wheat is down 20s. a quarter, with a prospect of a considerable further fall, the best thing he can do is to sell at once. He gets his order accordingly; and the farmer finds, in a week or fortnight, that the wheat has risen to the price it fell from. Or if he is not advised to sell, the factor writes to him that he is desperately pressed for money, and begs a repayment of his advance, which he knows can only be done by the sale of the wheat, and he gets the same advantage.

Now, Sir, I will tell you the result of some experience in these matters;—that in all the *London markets*, the *small fry* of speculators for a rise, are sure to sell at the *lowest price*; and if they speculate for a fall, which is as easily done as for a rise, they are as sure to have to buy back what they have sold at the highest price.

But these things go too far for the knowing ones sometimes, and we have a smash that astounds all London. Old — used to carry on the game so far as to lose his judgment. On the evening of Lord Mayor's Day, 1830, he sold between 4 and 500,000 Consols at the lowest price they were *done at*; and an anecdote is related of him, that his speculations so overcame his reasoning powers, that he was found on the grass-plot of his country-house, rolling himself over and over. On being asked why he did so, he replied,—to roll some of those d—d Consols out of me. Yet such is the impetus given by the credit money, that (no man can have been a few years in any market in London without observing fearful havoc and ruin) new votaries for fortune arise as quickly as the old ones are swept off. These dealers, as they are called, form a very large part of the London population.

It would throw some light on the subject, if you were to get a return of the inhabitants of the houses of the suburban villages, and find what became of the preceding occupiers to the third and fourth preceding occupants. One of the reasons assigned by the clergy for so frequently calling for parochial charitable contributions, is the constant change of the inhabitants.

It would take me a week to explain all I know as to how these things *are managed*; and yet I believe I am, comparatively to *some people*, a mere novice in the art of *dealing*: but, Sir, the greater part of those factors, or brokers, or whatever else they may be called, get a commission from both the *buyer* and *seller*. Our religion teaches us that no man can serve two masters.

Surely, Sir, you must see that the power of making or destroying money must enormously increase the power of action in these cases; and if any particular sect, say the Quakers, for example, had a facility, from one of their clan being at the head of the bill discounting trade, of extending or contracting their business to any extent, that they possess an influence that a good government ought by every means in their power to put a stop to. There is a cattle-market also in London. Surely you want no more examples of markets.

When you were Irish Secretary, I well remember the great cause of the distress in Ireland was the middle men; but I tell you there never was a tithe of distress in the land of potatoes which at present exists in old England from the same cause. So deeply seated is the *middlemanism*, that one is obliged to employ an *agent* to stock our cellar with coals; that is, if you do not *employ one*, you get your coals no cheaper! How is this? Why, the wholesale dealers find it their interest to support the *middle men*; because they know that they can dispose of any rubbish through their *agency*. They know that the middleman gets the order from those who are desirous of serving *him*; or, if they *grumble*, his answer is, that it is not his fault; he has been *deceived* by the party he bought the coals of.

But such is the state of trade in this country, that even the *middle men* are calling out; and I really believe that 10 years ago you would have got three times the amount of income-tax out of them as you will at present. But this "savoir vivre" is not confined to the middle men. That ill-used race, the manufacturers, are up to a thing or two. A few years since, Capt. R. K— went out as supercargo in one of his own ships. He discovered a market for a particular description of manufacture. When he returned, he ordered these goods and took every precaution to

conceal the market they were intended for. They were promised by a certain *day*. However, he was detained by the manufacturers not having them ready for him. At last they were shipped; and he again went with them. To his great surprise, when he got out, he found a ship-load of the identical articles had arrived there a *fortnight before him*. He lost *his market*, and had the satisfaction to find that they had been sent out by the manufacturers of whom he had ordered his. Who these manufacturers were I don't know: the probability is that they were paper-money bankers as well, or were connected with some *flash-money* men, or they would not have found money so readily to *forestall another man's market*.

I have said that, with strict economy, you need not have wanted more revenue; and as I dislike assertion without proof, I shall proceed to justify. When you introduced your currency bill, you and the political economists in the House said, it would not reduce prices above 2 or 3 per cent. An error of 1s. or 2s. will not materially affect my position; but I take the gold value of a quarter of corn at 20s. T. Paine, in the pamphlet I have quoted, considers that the paper money was depreciated 7 or 8 times. I think he overrated it; but assuming 20s. as the gold value of a quarter of corn, it is clear that when, at the latter end of the war, corn was at 120s. the quarter, that paper money must have been depreciated 5 times; because it took 6 times as much paper to buy a quarter in England as a sovereign would have purchased generally on the continent. I have not the means of referring to the precise time, but I well recollect that public salaries, and even the pay of the army (full and half) was increased in consequence of the dearness of provisions. Well, Sir, in passing the corn laws after the peace, you statesmen contended that 80s. was as low a price as corn could be grown at in this country, notwithstanding the necessary reduction in price attendant on peace. When you brought forward your Currency Bill, this was the state of the case. I take it then, that in 1819, the paper was depreciated three times; but you now say 60s., or something less, is a fair price for corn, so that it is clear that the paper is still twice depreciated. I am not finding fault with you for your erroneous estimate of the effect of your Currency Bill; but I wish to call your attention to the fact, that almost all your public servants are paid the same salaries now as when wheat was at 120s. the quarter; and to ask you whether you could not most conscientiously reduce the salaries of judges, officers of state, servants in public offices, and the officers of the army and navy, in such proportions as

would enable them to live as well as when they had to pay twice as much for the principal articles of consumption? Considering that the candidates for commissions in both services are amongst a class of society to whom the *pay* can be no consideration, you could have no difficulty in doing this; and I think I should have no difficulty in finding you candidates for all the other public situations, fully as competent, who would do twice as much work for one-half the remuneration. If there be any truth in Cocker, this would be getting the public work done for *one-fourth* the present cost.

It is of no use to tell me that government servants ought to be better paid than others, as an inducement to honesty. Have we not seen frauds by government officers, far, far above pecuniary want. Look at the exchequer bills' frauds;—to the present investigation in the customs;—every body knows how the commissariat department enriched themselves during the last war; it was a thing well understood, that a commissariat clerk, in charge of a brigade in the Peninsula, made his £10,000 in two years;—how the ship-owners used to bribe the transport agents to pass ships unfit to carry men, or let them lay in harbour for 12 months together. One Saturday afternoon, during the last summer, a gentleman went into Lloyd's Captains' Room, about half past 4. There were, he says, not six people in it: it was, in fact, *late* for any one to be there on Saturday. He was therefore surprised to observe two of the largest ship-owners in London, sitting at a table, picking their teeth at one another. Soon after, the waiter came in, and posted a notice that the government wanted so many tons of shipping, the tenders to be in by some early hour *on the Monday*. Is not this a funny thing, that the two people who could most readily find ships, should have happened accidentally to have been so late in the City? I related this singular coincidence to a gentleman connected with shipping; and he told me, that many parties thought that no notice had been posted at all; but I could tell you something which came to my knowledge accidentally, that might throw some light on this story, were I fond of making mischief.

Then again, Sir, a practice has crept in since the peace, of what I call *perpetuating* the retired list; I mean, permitting a man on the brink of the grave, to sell his commission in the army, and allowing a young man to take his place: this is called purchasing an unattached commission. I was once requested to find some one to purchase one of these commissions; but it so happened that the seller died before a purchaser could be found. In rela-

ting this case to a gentleman, he assured me that he had the probate of the will of an officer in his hands on the *same day* that he saw him gazetted out, selling his commission.

I consider this a worse system than that which existed when the colonel would not eat his *pap*; because then, a man might arrive at a high rank in the army at an age when, if he had any military ability, his mental and bodily energies were in full vigour; instances of generalship, when first called into play in old age, are very rare; but the keeping up a large corps of unattached officers in time of peace, has a twofold disadvantage; those who arrive at the rank of general, do so at an advanced age, and without *actual military service*; and secondly, because those officers who have been serving with regiments are necessarily kept in *subordinate ranks*. I know some little of this matter, and my firm belief is, that the military service would be greatly benefited on the breaking out of a war, if there were not a single general (except colonels of regiments) or field officer in the service, but those actually serving in the different corps. Many years of domestic life destroy the energies of an officer, and I would rather intrust the command of a brigade or division to a captain of infantry, who had had a good military education, than to any superior officer who had been 20 years on the shelf.

Wellington commanded an army within nine years of commanding a regiment, and fifteen after he entered the service. Napoleon was appointed lieutenant of artillery in 1785, and general of artillery in 1794. Suwarrow was a lieutenant from 1743 to 1763; and in 1768, commanded a division in Poland. Napoleon's generals were almost all young men; scarcely one of Wellington's were under 50. All the former had been *constantly employed* from their first commission and scarcely one of the latter had seen an enemy until they went to the Peninsula.

Another advantage would arise from this, that the slow promotion of peace would be compensated by the rapidity of advancement should a war break out: and your officers would have an inducement to remain in the service. In the last brevet, of 75 lieut. colonels promoted, only 21 were on full pay, and 44 were unattached; and out of 66 majors, only 19 were attached to regiments, and 44 unattached.

The best officers are men who have received a good education, and have little but their rise in the service to look to. A gentleman of fine feelings must be galled and fretted out of the service at seeing a parcel of dandies put over his head, because they have *money*. Such has been on the increase all the peace; in short, two-thirds of the commissions have been purchased: but will the but-

terflies remain in the service should a war break out? You will say, this will create an opening for soldiers of fortune. No such thing. Commissions will be, as they were last war, thrown back into the gift of Members of Parliament, who will recommend those, no matter how little fitted for the service, who can give them a vote in (what I consider nearly as bad as a rotten one) a reformed borough. No one should have a commission in the army in peace who cannot pass such an examination as would qualify him to be *lieut. colonel* quarter master general, adjutant general, chief of the engineers, or commandant of the artillery.

I know little of the Navy, but I know several officers of it who have not been employed all the peace, yet we have had no lack of ships afloat: and in the public offices, one is constantly hearing that so and so has been superannuated to make room for so and so. But why should public servants be pensioned off at all, unless as a quietus, to make room for others? Every other person is obliged to provide for his old age, by saving from his income. How could a Government better raise a portion of its revenue, than by establishing a scale of deferred annuities for its public servants, as well as the public generally, instead of *savings' banks*. The merchants of London, whose clerks are notoriously the worst paid scribes in the country, have had the cunning to get their clerks to establish a *Provident Institution*; surely, the sleek, pampered government officials should be bound to do the same.

But there is a very simple means, Sir, of discovering the truth or falsehood of all these statements. Let every superannuation be gazetted, stating the age of the party, as well as of his successor; and in the sale of a commission, let the *seller's* and *purchaser's* ages be also gazetted; but I would much prefer doing away with the purchase and sale of commissions.

Again, Sir, about the year 1823, when Lord Palmerston was Secretary at War, he was called on by the Government to state what retrenchments could be made in the army.

It was said, at the time, that he recommended the abolition of *army agents*; but that the interest of Greenwood and Cox with the late Duke of York was such, that it was not carried into execution (any military man of those days could tell you what that interest *was supposed to be*). A *paymaster*, who *never* deceived me, gave it as his opinion, that there could not possibly be a more useless branch of the service. He said, that the paymaster was obliged to prepare *monthly estimates* of the pay of the regiment, that such estimates were sent to the war office *for examination*, and the warrant issued to pay the agent on whom the paymaster drew for the money. Why could not the paymaster have drawn on the Treasury

*direct* ? and if they be upheld on account of the colonels of regiments, I must state it as my opinion, that it would be better for the service, if the emoluments of the colonel for clothing, &c. &c. were commuted for an increased allowance, and the agents dismissed.

The preceding remarks may have the appearance of digression. My object was to show how extensive the class of drones is, and what a fertile field you have before you for retrenchment. A minister who confesses that he can push the taxation of the labouring classes *no further*, and who is execrated by a large proportion of his supporters for imposing a property and income-tax, ought to be greatly obliged to any one, even a *Radical*, who can point out to him how he can lighten the public burthens: but never was minister so favourably placed for carrying out reform as you are. (I was one of those fools who fancied the Reform Bill would have insured all this; I had no conception that the substance was to be withheld.) There are many honest men amongst the Conservatives, who would back you in making your income-tax 10 per cent, if you would show them, in your able way, that you were conferring on them an ultimate benefit. The genuine Whig, having opposed it, would feel bound to vote against you: but the Radicals of all shades would be your supporters; and as you have disclaimed any but patriotic motives, were you to fall by this measure, your name would be enrolled in the memory of generations yet unborn.

Let us understand one another,—the *shifting* a tax from the poor to the rich is only a partial relief; at least one half the rich will have it out of the poor some other way;—for instance, I hear of servants being discharged wholesale, to meet the *income-tax*. It is notorious that many rich people will not keep carriages and servants, because they are taxed. Last autumn I heard of a person having a large fortune left him: he was anxious to keep a carriage for his *old lady*; he actually bought it; but could not be induced to have it home until after the *5th April*, to avoid the *tax*. Rely on the knowledge of these matters acquired by one who has passed his life amongst the *people*, that Lord Castlereagh's "*ignorant impatience of taxation*" has spread more and more, and is still spreading amongst the plebeians; in short, it *clouds* the mind of all parties in the state;—even those who live upon the taxes wish you at the D—l for your income-tax. Apply it as I have directed you in this and in my Letter to Lord J. Russell, and you will be backed in such a manner as you little dream of.

Two days after I wrote the above, I received a letter from an



old friend, whom I had not heard from for years. I should state, that he was ignorant of my having published anything, and as great a Radical as myself; but having this advantage over me, that he is as honest and upright a man as Sir R. Peel or Lord J. Russell. He writes, "I have been much amused to hear the wailings of some of the rich, who never cared how others were taxed. Sir Robert is no longer the idol he was with them. If the Commissioners conduct themselves with *common decency*, I shall not care about paying it myself; and if the effect would have been, that some mischievous duties on goods had been taken off, I wish it had been *ten per cent. instead of three*".—Now, Sir, I foresee, that so far from your taking off the income-tax, that you will be obliged to increase it; but to make it palatable, you must render it less oppressive,—“fair play is a jewel” in the estimation of Englishmen. You must therefore lose no time in causing terminable annuities to be assessed at their comparative worth with perpetual, and income derived from trades and professions according to the number of years’ purchase the life (making the return) is worth.

A minister whose measures are clearly for the public benefit, cannot be left in the lurch. You introduced them in face of a majority who were not prepared for them, yet from their justice they dared not vote against you. Go on proposing just measures:—the Conservatives cannot leave you; the Whigs have learnt by this time that “fair words butter no parsnips;” they never can regain power without a certainty of being bound to bring forward Radical measures;—the “laissez faire” policy will not do in these times.

You sadly mistake the principles of Radicalism if you imagine that we have any sinister designs on the property of the landlords. We well know that the land, under any circumstances, must be *held* by some one; and that that some one will have *rent* for the use of it. It cannot matter to us then *who* are the owners. And we also know, that uncertain titles to it would lead to constant litigation and neglect of culture\*. Nor do we think any harm could arise, were the whole land of the country in the *hands of trustees* for the *benefit of the poor*. The objections we make are, that the possession of the land should convey political power; that the holders should be exempted from the penalties of extravagance; that the accumulation of it in the hands of individuals, should enable them to exonerate themselves from the burthen borne by the rest of the community, by enabling them to keep any ministry in power who, by

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\* Every one knows the answer he would get, when enquiring “who is the owner of that dilapidated property?”

a lavish expenditure of the public money, create places and useless employments for the cadets of their families. Their titles we envy not (we know that some of the *best friends of the people* are to be found amongst the old nobility, and some of their bitterest enemies amidst the parvenues); they are becoming so common from being bestowed on every renegade, that we anticipate they will shortly be held in the same estimation as that of an Italian prince. Who does not think that Harry Brougham is lost in Lord Brougham; that the atmosphere of the House of Lords is not congenial to his spirit? The wisest thing you ever did, Sir, was to express your determination of passing the days of your public life in the House of Commons.

I have said that you have begun to burn your candle at the wrong end; in fact, your currency bill was an instance of this. You thereby increased the burthen of the taxation, (read the beginning of page 6 in *Civis*.) Had you postponed the return to gold payments, until the National Debt had been put in train for extinction, you might have let the paper money take its swing. So long as it was *inconvertible*, it would have facilitated that measure; but your now attempting to *cheapen living*, is diminishing the means of those who have to pay the taxes; thereby increasing its pressure on them, at the same time you are increasing the means of the drones: to the extent you lower prices, you are giving an increased value to the income of all those who live upon the State; and, in the same proportion, you diminish the profits of those who have to pay the taxes.

There is another class of drones, and a very extensive one, who prey upon the industry of the producers, which I had well nigh overlooked,—I mean the directors and shareholders in life-assurance and other companies. “Director of companies” is a *profession* of recent date. Let me relate an anecdote to the purpose:—a Scotch unattached major called on me a short time since. I was at a loss to conceive what self-interested motive was the cause of my being thus honoured. After some recollections of by-gone times, he informed me, that a friend had appointed him director of a life-assurance company, connected with “—— ————;” (capital name, eh!) that he had been promised the directorship of another company; that, in short, he intended to adopt the *profession*; and that if I knew any company in want of a director, he was the man. But, to the subject:—if you have an hour to spare any day, and will favour me with your company, I will walk you through the new streets in the neighbourhood of the Mansion House. You will be perfectly astonished at the number of palaces

owned by these gentry. I cannot be supposed to know how all these get a living, but I will give you one case.

In the year 1824, I was induced by an advertisement, promising me half the profits, to insure my life for £1000 in the — Company\*. It was stated, that they had a certain capital, of which £10 was paid, and the profits were to be divided every seven years equally between the assured and the shareholders (for some reasons best known to themselves, the advertisements now put forth by this company, only say that a proportion of the profits are divided amongst the assured). When the first division came, a small reversion was added to my policy; but, to my great amazement, they declared, that the shares in the company were to be considered as having £20 paid up, and that an annual interest of £5 per cent. was to be paid upon these shares. When the second septennial division came, £7 10s. more was added to the shares, on which £5 per cent. was to be paid annually; and a reversion of about £1 per cent. per annum was added to my policy. But, look, Sir. They tell me, on complaining, that they can only invest my money at £3 per cent., and value my life by the Northampton tables; and yet they divide £13 15s. per cent. on the money *actually* paid by the shareholders. You are, perhaps, not ignorant that the Northampton tables greatly under-rated the value of life for the younger ages; and if you were to go to this company, and offer them a sum of money for an annuity on your life, they would laugh at you if you said they must value *your* life by the same tables they value *mine*.

But, Sir, this company have one of the best mathematicians in London for their actuary. This gentleman published a set of tables some years since, on matters connected with life-assurance, in the preface of which he proved, that such is the real value of life, connected with the *power of rejecting diseased persons*, that 40 years' experience of the largest company in London, proved that for the majority of cases likely to become insurers, that is, under 40 years of age, that only *one* died, when their tables of premiums were calculated that *two* would die; and even to lives insuring at very advanced ages, the proportion was only at 5 to 7.

If you look to the Equitable Company, you will perceive that the charging these enormous premiums has led to an enormous increase of capital (the division of which I will not now enter upon); and if on the other hand you look to the London Life Assurance,

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\* I suppress this name under petticoat influence.

you will perceive that the premiums charged at entering have enabled them to reduce the future payment to about one-third.

Now, Sir, both these companies *have no shareholders*: but the — office said I was entitled to *half the profits*;—how is it then, that I am not half as well off in the — as I should be in the London Life? I firmly believe that I am what in slang language is called *done*. What remedy have I? I am told,—but you should have held shares in the —; then, if you were *done* with one hand, you would get it back with the other; but, Sir, who are the parties that go to insure their lives? (surely not those who have money to invest in companies.) Are they not those who, not having accumulated the means for rearing a family, are desirous that an untimely end should not reduce their widows and children to beggary? and, still worse, are not a large amount of policies effected as a security for money advanced to enable people to enter into business? Then, Sir, if this company do not strictly fulfil the spirit of their original contract with the public, at whose expense are they accumulating capital,—is it not the fatherless, the widow, and the debtor? Who pays for their extravagant entertainments at the Albion, Blackwall, and Greenwich? But admitting they have the law on their side, surely there can be no *honesty* in a scale of premiums for life-assurance which enables the shareholders of a company to *double their capital in 7 years*. It is from this I call on you to rescue me and others.

I have no doubt their deed of settlement protects them in all these things:—at all events I am not likely to dispute it; for one of the Judges in Equity was their standing counsel when it was drawn up. But I have no hesitation in saying, that had I foreseen that they intended every seven years to declare so much more capital paid up, and to take 5 per cent. interest upon it; and then to calculate that I was only to have my money valued at 3 per cent. increase, that I never would have taken out a policy in the —. But this is one of the *swell companies*; Directors of the Bank of England, East India Company, and private bankers condescending to accept their £—— a year.

How is it, then, it will be asked, that the —, in these times of competition, get business? First, because all those who have insured with them, before they discovered how little benefit they were to derive from the company, cannot *leave them*; and the public are let into their net by the extensive agency they have established, which, in short, amounts to this, that the company dispose of some of the insurers' money to pay a set of *people* who have an interest in persuading others to insure in a company which

does not hold out advantages in proportion to the high premiums charged.

But why do I give you this case? To show you that it is in your power to render enormous service to almost every family connected with business, by forcing those companies to act fairly towards the public, or to take the matter into the hands of the Government. Allow me to advise you to issue a commission of examination into the affairs of the insurance companies, at the same time establishing a Government insurance office, giving power to every policy-holder in any life-insurance company to transfer it to the Government office, the government assuming the right to make the company pay over to the government office, an *equitable amount* of their funds, as fairly belonging to such policy; that one half of such amount, over and above what the company had assigned to the policy, should belong to the holder, and the other half to go to the Government as a reward for the protection afforded to the insured. I hold three policies, and I hereby pledge myself to transfer them to the Government office; and I feel convinced the majority of policy-holders would do the same, and that an enormous revenue would arise to the Government. Before quitting this subject, allow me to suggest to you, that after all, the true principle of life-assurance is *protection* against *premature death*; therefore, when you have done this act of justice to the present dupes, let your actuary prepare a table of decreasing premiums and decreasing reversions. Let me give you a case:—Suppose A, 20 years of age, about to get married and commence business; he has a reasonable expectation that it will yield him a living, and *something more*, and that in 20 years he shall have accumulated sufficient to pass the remainder of his days in peace and quietness: let us further assume that £1000 is the object of his ambition: then the table wanted will be, what premium must A pay every year, to insure £1000 reversion for the first year, £950 for the second, 900 for the third, and so on to the ultimate extinction of both premium and reversion. This would meet the wants of an enormous part of your population, and would be a legitimate source of revenue.

But we have yet another class of drones, or rather wasps: I mean that class of the legal profession, who live by inciting people to commence Chancery suits. But why have they an interest in this? because they can assure their clients that they will be at no expense; that they shall be able to recover their expenses *out of the estate*. What family is there not subject to one of the daughters or grand-daughters marrying a vagabond, who, because he

cannot get all he wants out of the family, will apply to one of these wasps to throw the property into Chancery? Is it not a notorious fact, that so onerous and vexatious is the office of executor or trustee, that very few men can get even their most devoted friends to undertake the office? Can that be the perfection of society, when men dare not fulfil one of the most sacred offices of friendship, lest in so doing, their own children may be subject to seeing their patrimony absorbed by the lawyers?

I had written out a case within my own knowledge, whereby a small property, *absolutely increased* in value by the executors, was three times threatened with Chancery. The third time the suit was absolutely commenced, to obtain that which had been offered to the parties before, and which they were glad to accept; but £200 was spent in law, without an answer to the bill being put in.

I know that it has been said, that the expense of law-proceedings has a tendency to prevent people being litigious; but I have the strongest conviction that nine-tenths of the population of England submit to *gross injustice*, and that the other tenth *practise it*, because the majority are satisfied that, with justice on their side, it were far better to put up with injustice than to seek it through the law.

I sincerely wish the Duke of Wellington would complete the parallel between himself and Napoleon, by giving us a Wellington code of laws. Surely he could find some disinterested lawyers to assist him in divesting the law of its "glorious uncertainties." All the sound decisions in law and equity might be *codified*. The practice of adopting the decision of any particular judge or jury should be set aside, and any case of law or equity not strictly defined by the code, should be left to the decision of a jury, without such verdict *becoming part and parcel of the law*; and when it was ascertained that these decisions were of a sound nature, they should, by legislative enactment, be incorporated into the code. The law might and ought to be intelligible to every man of education; and thus the ruinous nature of a law-proceeding to the public would be averted, and a large class of parasites exterminated, to the saving of the pockets, and the restoration of harmony between man and man, in their monied relation to each other.

I believe the practice of Chancery, in forcing executors to invest estates in the funds, to partake of the same species of state policy as gave rise to the establishment of savings'-banks; namely, to interest as large a proportion of the population as possible in maintaining a system which is at the bottom of all the distress

now felt by the country. I have a strong presentiment that the savings'-banks will upset the concern some day. We have seen the holders in them draining the bank of two millions of gold in a week. I have the authority of more than one gentleman who have been concerned in the management of them, that when once the poorer classes get it into their heads that their money is not safe, no remonstrance is effectual in preventing their taking it out.

Now, Sir, let me carry you back to 1839, and with little better than 2 millions of gold in the Bank, I will ask you where you would have been if the people had taken alarm at that time? and really it is a miracle that they did not.

Can that be a sound system of policy, which subjects a nation to bankruptcy at the will of a few demagogues, who choose to fill the minds of the poorer classes with alarm? But, Sir, you have 37 millions in the savings'-banks; now, suppose they wanted *their money* (I will even give you the advantage that they would take it in *bank notes*), would you dare *make them* for them;—look again to the reduction of the funds;—look also to the fact, that the forced issue of half a million *more* currency this year, has reduced the interest of money on the best securities from 6 to 2 per cent. But here is a funny fact for you to chew the cud upon; there are I know not how many joint-stock banks who hire the Bank of England notes at 3 per cent.; but money can be borrowed at 2, according to the papers; and yet, when these concerns have their public meetings, we see very flourishing statements of the prosperity of the concern, dividing so many per cent., as a *half year's profits*. How can these things be? Save and except the life-insurance companies, who cheat the public so prodigiously that they grow rich in spite of their extravagant management, it is notorious not one company in a hundred yields a reasonable interest on their shares. Here is a business that requires all the circumspection and care of a Lewis Loyd to make answer (in these times), and yet they pay dividends far exceeding the amount which a private banker would be glad to compound for. How can these things be, again I ask? Have the joint-stock banks found the philosopher's stone?

You must be confoundedly puzzled just now, Sir Robert. You told us at the close of the sessions, that you might easily have produced an *artificial* appearance of prosperity, by shoving out more paper; but I tell you, that it was out of *your power*. You must first instil into the minds of the people a *spirit of speculation* (as your chum Prosperity Robinson did in 1825), then they will

come to you for the notes as fast as you choose to issue them ; but such is your novel position, that all your coaxing will not do it. The present generation have been so fleeced by speculation, that the Old Gentleman could not induce them to try their *luck once more*.

There is no greater mistake amongst the political economists than that the Bank can *force out* paper (unless by buying mercantile goods, and even then not always); they have tried this game this year, but unsuccessfully. It is a well ascertained fact, that forced issues of paper by the Bank immediately return on them in the shape of deposits ; for example, the Bank go into the Stock Market to purchase ; those who sell do so not that they want *the money*, but because the price offered tempts them ; the money therefore which the Bank pays for the stock is not *wanted*, and necessarily becomes deposit. The case is quite different where the public take a fancy for borrowing the rags to buy stock or goods ; for the purchases being made at necessarily higher prices, the larger amount of notes in circulation become absorbed into the price. We have here an example in proof of Civis's position, that the *prices* are regulated by the *quantity of money*.

What then becomes of the dictum of the Bank Committee, that the Bank should allow itself to be *acted on* : is not this tantamount to saying, that the Bank should encourage speculation ? and this again upsets another of their dogmas, "that the private interest of traders is identified with the public interest, and may be safely left to take its own course." Is not this as much as to say, that the public cannot be injured by the Bank letting the speculators have as much money as they please ? and here again we upset them on another point :—it is evidently the interest of the issuer of paper to get his dupes to take as much as they are safe for, and yet they tell us that it is quite impossible for them to do any thing which would injure the public, which would not in the first instance inflict injury on themselves.

The working of all this is simply that the Bank gives facilities to speculators by issuing their rags ; they then rob the public by withdrawing their paper, and forcing the holders of goods at high prices, to sell at low, the original authors of the rise having quietly slipped out of the *noose* ; certainly some few of them are caught in their own trap, but in the main the public pay the piper. This is the benefit they derive from an *expanding and contracting circulation*. But I have previously shown that a set of agents, or crimps, are obliged to be employed to enable them to cajole the community. Why, you can scarcely stand in one of the streets of



London five minutes, without overhearing some one complaining of having been victimized by one of the fraternity. Is it not astonishing that men of some standing in society can be found to sacrifice their fellow creatures for an eighth or fourth per cent. commission?—what do I say, perhaps a sixteenth or thirty-second? but there are those who are above this dirty work; such men seldom give advice to buy or sell, consequently their customers are few. Unfortunately for the public, they cannot understand that it is quite impossible for a broker to know whether markets will rise or fall; the chances then are 100 to 1, that when advice is given, that the adviser has some interest in giving it. Oh that you and I, Sir Robert, could recall Gay from the grave, just to take a walk with him from Temple Bar to Aldgate Street, to witness his astonishment at the increased number of his old street acquaintance!

But see what a monstrous absurdity is involved in your political economy. If you succeed in inducing the people to employ the money to buy with, it can only be to sell at *higher* prices, and yet you defend your policy upon the grounds of producing ~~cheaper~~ *lower* prices!!! Could I possibly want a better illustration of my doctrine that the *more* money a country employs so much the worse for all parties except those *who lend it*. Pray store in your mind T. Paine's definition of dearness. Had I known that such a magnificent truth as this were in print, I should never have had the courage to write to Lord J. Russell; the whole secret of our difficulties lies in it; the only remedy, I concientiously believe, is contained in "Civis."

And now, Sir, for an elucidation of my text. The *theory* of banking established in this country appears to be founded upon a doctrine laid down by Adam Smith, namely;—"If bankers are subjected to the obligation of an immediate and unconditional payment of their notes in coin, on demand, as soon as presented, their trade may with safety to the public be rendered in all other respects perfectly free."

Now, Sir, turn to Civis, and read from page 12 to 20, particularly page 17, and then tell me, on the honour of a gentleman, if you can, that an *ounce* of practice is not worth a *ton* of theory. I am perfectly amazed that any man can be spooney enough to suppose that any set of men playing with other men's property will not avail themselves of an opportunity of making large profits for themselves, when there is only a *chance* that they may be called to account before they have realized. I have met but with a small proportion of people who having money at their command

could resist the temptation to speculate. It is only those who have realized money by a long life of incessant toil, who know how to make use of it. "Easy come, easy go," is amply verified in commercial life.

The number of commissions of bankruptcy against country bankers from 1781 to 1830, was 407; but mark the progress with the extension of the paper money; to 1790, 14; to 1800, 50; to 1810, 56; 1820, 141; 1830, 146. (Appendix to report of Bank of England Charter, 1832). I stumbled upon this fact in looking into it in the expectation of finding the Eton Tables of the *average* price of wheat alluded to in "Corn and Currency," which has just fallen into my hands. I have a great dislike to averages. I have always found them inconclusive and deceptive (abstractedly I prefer the sliding corn-law scale to a fixed duty; but when combined with averages, I feel confident that the *Quakers* will be too much for you). The average temperature of the coldest month of our climate is above the *freezing point*. God help the poor nurse-ryman who, having heard this *fact*, should import a large quantity of plants that would stand this degree of cold.

But having drawn your attention to the "man of the bright swords'" publication, you will perhaps excuse my passing a remark or two on it. I know that amongst statesmen, it is a gross piece of vulgarity to try to nail one another to any opinion expressed a year or two past, I shall therefore only allude to those which I believe he holds now; and here I will point to a strong confirmation of my statements in pages 18 and 19 of "Corn and Currency," namely, that prices are affected mainly by the *quantity of money*. He there tells the landlords that they cannot keep up their rents without plenty of rags,—clearly showing them that your Currency Bill, by restoring the *paper money* to the same state it was before 1792, must have the tendency of bringing down the price of wheat to the same level it ranged at during the 18th century. But the fallacy connected with this is, that Sir J. Graham and all the political economists fancy that these were *gold prices*. I think I have shown in *Civis*, that a paper currency, convertible nominally into gold, is twice debased, that is, by the time one-third of it (for 6s. 8d. in the pound is the highest quantity any political economist would argue for) was demanded in *money*, the *rest becomes worthless*.

Supposing the average of wheat in England to be 60s. a quarter since your Currency Bill, and 50s. during the 18th century, all which time we had a paper currency, it would be desirable to have a table showing the average price of wheat in Europe during

the 18th century. I shall be much surprised if it does not come out within a fraction of one-third the English price. But gold did not vary in price during the 18th century, or since 1819. What then can be the cause of wheat being higher in England by two-thirds, than on the Continent, but a debased currency. But why did not *that* take place in the 18th century, which is now in frequent operation to prove your currency debased, namely, an importation of wheat, and an export of gold? I can only attribute it to the fact, that commercial intercourse was so restricted by repeated wars, and difficulty of transport, that the opportunity of selling 20s. wheat in England for 50s. did not often arise; besides, I think gold was prohibited from being exported; at all events they had no manufactures then to compete with us in.—But Sir J. Graham quotes Adam Smith, Mucket, Horner, Locke, and others to prove that an average price of wheat is the best test of a sound or depreciated currency; yet gold is currency in England and on the Continent, how then is wheat at such different values? Is it not that in England gold is *tied* to paper, and *free* on the Continent. Sir J. Graham is proved to be right in the fall in the prices of wheat under your bill; but if no paper money existed, the price of wheat in England would be 20s. or thereabouts.

Now, Sir, if you wish to save the commerce of your country from ruin, *lose not a moment* in commencing to carry out this desideratum. I shall be glad if you can find a safer or more just method than the one pointed out in *Civis*. It is the knowledge of this truth on the part of the Anti-corn-law League which causes the landlords to tremble. Let them hesitate in backing you in reducing the expenditure of the country to that point that we can let a sovereign pass for its *real value*, and their estates must assuredly pass into other hands.

Let us now see how matters would stand between the agricultural and mercantile classes, were *Civis's* plan fully carried out. The former would ensure customers for all his produce, for no other nation could supply the manufacturer so cheap; and the latter would sell as large an amount of his goods as possible in the home market, and any surplus would be sure, from *its price*, to find vent in some foreign country. I would wish the latter class to bear in mind that it is the *rich of his own country* that pay for such of his goods as are sent abroad to exchange for luxuries such as wines.

Let us now stop to contemplate some of the consequences and advantages which would accrue to the agriculturist from the value of wheat being reduced to 20s. per quarter; and first, I will sup-

pose the cost of importation (the duty being removed) to be 10s. per quarter. It is clear that no foreign wheat could be sold until the home supply was disposed of; at all events there would be a bonus to the agriculturist of 10s: this, of course, would stimulate improvements in farming, until the country could supply itself with wheat; and I am one of those who think that two blades of wheat might be made to grow where one does now; but why are they not grown now? because the expense would be greater than the value of the corn grown, (there is also a reason arising from the want of stimulus to improvement in agriculture, owing to the political power of the landlords, obliging us to consume their produce at *the price* they choose to let us have it at.) But more labour would be required to produce a double quantity of corn, consequently the home demand for manufacture would be greatly increased; will any one contend that these are not the best customers of the manufacturers?

I would next observe, that Sir J. Graham considers that we borrowed 15s. in the pound. This arises from mixing up the funding of Navy Bills and Exchequer Bills with the 3 per cent. loans. I have elsewhere noticed the injustice of attempting to reduce further the interest of those who lent their money at a lower rate, and leaving untouched those who received 9 per cent.

You will find a strong corroboration of my assertions about the salaries of public officers in "Corn and Currency," pages 67 and 68; but how is it that an administration, of which he forms one, can leave these salaries untouched. Not only is this the case, but you have introduced a new tax, with its expense of collection, and reduced other taxes, without shewing that the expense of collection is diminished in proportion. But I must take leave of the "Bright Sword," sincerely regretting that such a jolly Radical should ever have turned his coat. Let me hope I am mistaken; it may be that you have seen the error of your ways, and are resolved to fulfil this noble idea of Sir James, "*The right of property itself is instituted, not for the good of the few who possess wealth and honours, but of the many who have them not. If the majority be deeply injured, the public peace is in danger; if the majority want food, private property becomes a nuisance.*"—see page 73.

There is much to admire in this pamphlet, and I take great credit to myself for having unwittingly reiterated many of his ideas. Civis was written without referring to any book; but I have since had my attention drawn to several publications sent to me with a view of proving I am wrong. I have met with no arguments in

them that I could not confute ; but it may be as well to show upon what slender foundations some of them are built.

Mr. G. Paulet Scrope has published two pamphlets, in which he tries to argue down the value of gold as a standard, by attempting to prove its fluctuating value ; but he fails to show that there is any thing else which fluctuates so little ; at all events, a wet season, over-issues, undue contractions, over-trading, can have no effect upon the quantity of gold. The falling-off in the supply of the mines since 1810, was a circumstance known equally well by all nations, and provided for accordingly ; and although it may have had some slight effect in increasing the burthen of a previously contracted loan, and this only to the extent of its *annual wear*, yet this is an evil inseparable from human affairs. There has been more mischief created in one month by the alteration in the quantity of paper money, than ever occurred from the increased or diminished supply of gold. His argument about the increased facilities of producing goods altering their purchasable value by gold is  *futile*: every man who sets about doing this knows the inevitable consequence, and he calculates that his increased quantity of goods will leave him a better profit than the lesser quantity ; but he never imagines for a moment that he can sell his larger stock for the higher price. Now if we imagine every producer of goods were to increase his article in the same ratio, it is quite clear that in exchanging them *directly*, they would have to give a proportionally increased quantity of each ; but if the exchange were made through a third party holding gold, the increased quantity of the one man's goods would be sold for the same quantity of gold (about) as the lesser quantity ; but the gold would buy a proportionally increased quantity of the other man's goods, and leave the two producers in the same relative situations. The advantage would be to the consumer, who, having occasion only for a certain quantity of goods, would buy them for less gold. This is what is called *cheapness or plenty*, and is the advantage which science and skill bestow upon a nation *without injury to any one*.

It is quite amusing to read (page 15 of Examination of the Bank Charter Question) his (J. P. S.'s) virtuous indignation at the altered state of pecuniary obligations since 1810, and then to see how he chuckles over the *baffled* landed aristocracy, by the alteration in money value since the discovery of the American mines. There must always be a losing and a gaining party *in every alteration of the value of money*. Nothing has ever yet been proposed which alters so little as gold, and nothing which pro-

duces more violent fluctuations in value than paper. *Corn* would be better than paper. What a glorious triumph does this page afford to the Attwood school : who can doubt that plenty of rags would *elude the grasp and baffle the holders of the national debt* ?

But just the same thing took place in paper during the war, so beautifully illustrated in Mr. Enderby's dialogue, by the increased quantity of it ; and precisely the same effect is now taking place by the decreasing quantity of paper, as took place in gold in 1810, only on a more *magnificent* scale,—more “ *en prince*.” I wish Mr. Scrope had manifested as much zeal against the paper as he has done against poor gold (as I think unmeritedly). Any one who reflects on his first chapter must perceive that he is in error ; for he only proves a cessation of accumulation of gold, wherefrom I infer *a cessation of injury* to those who, having a certain lien on property, yearly found themselves incapable of living as well as when the obligation arose. If one ounce of gold had not been produced since 1810, no one was injured by it ; and if gold were safely stowed away in the coffers of all the banks of trading nations, no evil would arise if *one ounce more were never produced*.

There is one thing quite clear, that whether it be produced or not (unless in very excessive quantities, of which I have no dread), there is no fear on your presenting a sovereign in exchange or barter, that any one will say, I do not know whether it is worth *any thing or nothing*, as too often happens to paper, and which is precisely the state of American notes at this moment.

I think, Sir, you cannot fail to perceive that the political economists take what I call “ a within the vortex view ” of the affairs of nations. Adam Smith's book is little more than an attempt to reduce to *theory* the practices of merchants and traders to forward their *individual* interests ; and you must perceive that the very falling into *their* practices would induce them, from the number of competitors, to *strike into a new path* to acquire wealth ; and if this be true, which I firmly believe, how can we *fix political economy as a science*. The thing wanted in trade is *perfect freedom of action* under a *certain* law. How can this be acquired in a country which makes a hundred acts of Parliament every year, in some way *meddling* with trade. But supposing our Legislature to *cease meddling*, how can we, the heaviest taxed nation in the world, compete with less taxed nations in the production of any particular manufactured article ? You may sell coal and iron cheaper than those countries which cannot produce them, but those countries which *have* coal and iron will most assuredly sell them cheaper than you can do. But these are comparatively *raw materials*,

*highly* manufactured goods will as certainly pass from you as night follows day; unless—you take a leaf out of *Civis*, and *unfetter our industry*.

But I have somewhat wandered from what I was desirous of stating as an illustration of "*within the vortex*." Hume, Scrope, Enderby, Attwood, and others have all written on the period of our commerce, when prices *were rising*, in other other words, when *money was decreasing in value*. They have the appearance of being right, from the *high prices* carrying the *last profit*; but this must have an end; for if Mr. Enderby succeeded in bringing gold down to the present value of silver, just the same state of things would arise as is depicted by Mr. Scrope as having happened by the American mines ceasing to yield more gold in 1810.

Let me give you an example of my assertion (page 11, *Civis*), that the witnesses had an interest in humbugging Lord Althorp. A Mr. Hugh Watt has published a pamphlet on Scotch and English Banking. He there relates an anecdote of yourself, as Chairman of the Committee in 1826. He states (page 18) that there was no gold in circulation in Scotland; and that you appeared *rather surprised* that the people did not apply for gold, when the guinea was worth 25s. or 26s. Why did not this Scotch banker *clear up* your surprise, and inform you that they *dare* not do it;—that the *bond* would instantly have been enforced against the demander and his *security*; that such a demand would have raised three times the amazement amongst the Bank officials, as "*Oliver's asked for more*" did amongst the workhouse authorities. In the next paragraph, we get a proof that *paper money raises prices*; for he states that English manufacturers and merchants would soon find out that the advantage is not confined to Scotland; they would perceive a great diminution in the amount of sales in Scotland. Dont you see, Sir, that *prices* would not be *so high*; therefore, their goods would not sell for *so much*; for as English paper is as good as gold to a foreigner, so long as there is a sovereign in the Bank, so Scotch paper would be to the English merchant convertible into English, so long as the Scotch banks have *an account* in London.

There is another (The History and Principles of Banking), by J. W. Gilbart. At page 117, this gentleman tells us that the *invested capital* is "*the money paid down by the partners for the purpose of carrying on the business*." Now, Sir, if this be *money*, it will certainly carry on the business; but if it be *invested*, it has no more to do with the business than you or I have. In the next sentence he says, the *banking capital* may be called the *borrowed*

*capital*: he then shows that there are three ways of raising this borrowed capital; namely, receiving other people's money, *creating notes*, and drawing bills (which is only another way of borrowing other people's money). He then gives us this marvellous information, that if you or I lend him our money for nothing, and some one will borrow it of him at 4 per cent., that he will make £4 of every hundred. He then tells us, that if you were to take his I O U for £100, and promise to pay him 4 per cent., he shall at the end of the year have made £4 by you. He then adds that this is a fair representation of banking, and the way banking capital is created by means of deposits, notes, and bills. But here is a profound truth for you, Sir:—"The profits of a banker are generally in *proportion* to the amount of his banking or borrowed capital." But mark what follows. If a banker employs only his *real* or *invested capital*, it is impossible he should make any profits. — now, Sir Robert, let me ask you whether this profound writer on banking could have written this if he had read *Civis* before he wrote (I really begin to upbraid myself for having so long withheld it from the world). Here we have a writer telling us that he invests his capital in money to carry on the business of banking, and then informing us that he can make no profit by doing so. If these bankers had invested their money in the Funds, they could have had no money to commence banking. But we get at the secret of banking from this gentleman. He is not satisfied with getting his 4 per cent. for his money, but he must have another 8 per cent. for his credit, in the shape of notes; so that if he be worth £10,000, and as prudent as S. I. Loyd would wish him to be, he makes 12 per cent. of his money.

But I have noticed this pamphlet more to expose a fallacy which I find at page 119. He admits that the issuing of notes to the amount of £50,000 will increase to that extent the amount of money in the country; and to show that this is not the *only* cause of *high prices*, *over-trading*, and speculation, he wishes to make out, that because an individual chooses to lend his money to the banker, instead of lending it *himself*, that this has the same effect as creating notes from what he is pleased to call the *rapidity of circulation*. Now if there be any thing in rapidity of circulation, and I believe *there is*, the effect must be that less money will be required to transact the same amount of business than where the money circulated less rapidly; the surplus, having no employment, would in all probability be sent to some other country, where it was more wanted—would the notes follow it? To make a "*particeps criminis*" for the notes, he is obliged to assume that



the £50,000 of deposits would have otherwise laid idle ; and yet he tells us (at page 135), “ no man will keep money lying idle in his hands if he can obtain interest for it, and have it returned to him on demand.”

There is a pamphlet entitled “ Metallic Currency the cause of the Money Crisis in England and America : ” the simple meaning of which is to my mind, that if the speculators had been allowed to continue to *promise to pay*, they would be speculating on to this moment. It requires no extraordinary mind to perceive, that the oftener the bills were renewed, the worse must have been the result ; every body knows that there was an “ ad libitum ” quantity of American paper in the market, and if England had taken 20 millions more of it before it was discovered that the Americans could not pay the interest on what they had *already borrowed*, we should have been 20 millions poorer than we are now. Is Mr. Enderby aware how many thousands of English families are reduced to beggary by the insolvency of the United States ? If Mr. E. had included *America* with Russia and France in his observation in the last page of his pamphlet, he would probably have discovered that it was not *metallic currency*, but the *having borrowed more money* than they could *raise taxes to pay the interest of* that was the cause of the crisis.

But I have *began* with the *end* : I will now go back to the beginning. He there says—“ Having then *proved* that no control can regulate the value of gold ” !!! Any one knows what importance Mc Culloch used to attach to the “ sawera oraw fawmes,” in his lectures ; yet this gentleman wants to persuade us that mankind never took more gold out of the mines than was sufficient to keep up the price (just as the Dutch used to throw spices into the sea). He then contradicts himself with an *if*. “ If then there were discovered any improved method of working mines, so that gold could be produced in as great quantities as silver.” But this little *if* it is which constitutes the *value of gold* ; but mark the logical reasoning of Mr. E. : it is upon this *if* that he proves that gold cannot be controlled in value, and hence the foundation of his pamphlet.

“ There was a maid in Westmoreland,  
Who built her house upon the sand ;  
And when the tide began to flow,  
Why then it laid her mansion low, low, low, low.”  
[last line over again.]      *Nursery Song.*

This gentleman has since published another pamphlet, in which he takes his text from some answers of old — to questions from the Committee of the Bank Charter. Now, Sir Robert, ask

any one of your city acquaintance whether they would not consider that it was 20 to 1 that (where his pocket was concerned) he meant something very different from what he said. There is a story current in the City, that some one very near and dear to him became a defaulter on the Stock Exchange, by acting on what he said; and I have seen in print a story of an Israelite, who having bought stock from his representations, went to complain to him of the loss he had sustained, who got this answer,—“vell, you bought stock, and I sold it to you.” Mr. Enderby concludes one of his pamphlets with the “*wonderful doings*” under the paper regime; the same picture might be drawn of American *prosperity* some six years since; the day of reckoning has come with them: may the forethought and prudence of our rulers avert the same finale from old England.

I will venture an observation on Mr. Joplin’s 339 pages. He wishes us to suppose (see pages 93 to 95) that £12,500,000 of our notes being large, do not affect prices; yet it is precisely these large notes that go into the Bank to extract the gold, and when the Bank buy Exchequer Bills or Stock, nothing is seen but £1000 notes, and it is these large notes by which the circulation is *expanded* or *contracted*. But there is a little *gem* in his work, which I must show in a good light, because it forcibly illustrates my doctrine,—How can *dearness* compete with *cheapness*?

At page 115 he says,—“Nothing can stop, as we shall have occasion hereafter more fully to explain, the *influx* or *reflux* of money between nations or districts trading with each other, but such an equalization of the *currency* and *prices* as will bring their *transactions* to a *balance*. Now, Sir, let me ask you a question hereon. If prices are cent. per cent. higher in England than most other countries with which she comes in competition in trade, and if England makes use of a *money* which is only partially *convertible* into gold, is she not at any moment subject to bankruptcy?”

The next in order is an Historical Sketch of the Bank of England, by J. R. McCulloch. I shall dismiss him with one quotation from page 46;—“Without, therefore, giving the directors credit for more than ordinary sagacity, we feel satisfied that, while they are *obliged* to pay their notes on demand, nothing is to be apprehended from their proceedings. A regard to themselves, without looking to any thing higher, will keep them in the right path. Do what they will, it is not in their power to benefit the corporation, without at the same time benefiting the public; nor

to injure the latter, without at the same time injuring the former." Let us hear Mr. Scrope—"Some of them profess to believe that the interests of the Bank proprietors and of the public are the same, and can never come in collision; but this is *manifestly false*." "When, indeed, were the interests of a body of traders, possessing an *extensive monopoly*, coincident with those of the public?"—page 51 Ex Bank Charter. McCulloch gives a proof of the honourable conduct of the Bank directors, by quoting a passage in a speech of John Smith's. We do not wish to deny the truth of his assertion, but the reason he assigns, although suitable to the atmosphere of St. Stephen's, would, if uttered at a city dinner, have "set the table in a roar." The most charitable construction I can put upon this pamphlet, to save McCulloch's reputation as a financial writer is, that it is the effusion of the paid advocate.

Oh that I could nail the political economists to this pamphlet of McCulloch's; but they are as slippery as eels. One of them attacked Civis, asserting that *gold* was not *money*, that bills of exchange were money. Civis proved that this was not true, that a bill of exchange was only *time* given, and that the bill must be *cashed* before the payment was made. Then he shifted his ground again, and money became a *shadow*, the representative of value, *mere numbers*. I was then obliged to drop him, as I shall now do the whole tribe.

In considering the subject of this letter, a modification of my proposal for paying off the National Debt has suggested itself to my mind. You are aware that within the second period of ten years, some 4,000,000 of terminable annuities will expire. I would therefore propose, that the second tenth should be omitted, and transferred to the last period, making that 20 per cent. But considering that the  $3\frac{1}{2}$  per cents. have been unfairly dealt with already, it might be desirable that these should be all transferred to the last period; that is, they should be changed into annuities of 100 years, and my original proposition be confined to the 3 per cent. stocks (including the South Sea). I believe further, that an appeal to the patriotism of the holders of the National Debt, would induce many to voluntarily convert their proportion into terminable annuities, either as to time or number of lives they might feel an interest in providing for. I would therefore advise you to give them an opportunity of so doing, under a promise that a national column, or trophy, should be erected, on which their names should be inscribed, in the order of the amount thus given up to the nation.

And now, Sir, for an elucidation of my *motto*,—

“What are the rights and what are the mights of the discontented classes in England at this epoch?”

The rights are—a *fair participation in the produce of their labour*. No small portion of your time ought to be addressed to this subject. Such is the inherent spirit of justice in Englishmen, that any thing tending to protect them will be sure to be supported by a large majority of even the present House of Commons. I believe, after much reflection on the subject, that shortening *the time* they are obliged to work to earn their necessary food, &c. is the first great step. This would be the most effectual way to protect their *capital*. Then might be instituted that, which I fear is mere waste at present, a general national system of education, the advantages and pleasures of which they would have leisure to appreciate. Hard work *one day*, and cessation from labour *on the next*, would not have the same effect. The time was when the Spitalfields’ weavers had leisure to cultivate their gardens in the Hackney Road. Wherever practicable, the attaching a garden to their cottages, would annihilate the gin palaces and Chartism. I think it possible that some branches of our trade would be lost by my proposal of short time, but they would be well lost. Any business that will not yield a profit without such incessant labour, would be well got rid of, even were the nation at the expense of conveying the unemployed to a new country. I fear also that, until the population of Ireland be raised in dignity, you might have some difficulty in carrying out this plan. Potato wages must not be allowed to undersell that sustenance which the English peasantry enjoyed until of late years.

*The mights* are the power of combination, either to cease work, or to discontinue the use of *taxed articles*, either of which proceedings is inimical to the well being of the country. There never was a period that the middling classes of England looked on with so much sympathy, if not approval, as at the last outbreak; and had not physical force Chartism mixed itself up with it, it might not so easily have been put down. The signs of the times most worthy a statesman’s consideration are, the comparative peaceableness of the people, and the consciousness of the strength of their cause which this indicates. Earn for yourself, Sir, that glorious motto, which is so unworthily attached to Pitt’s portrait in Windsor Castle, and you will have nothing to fear from the labouring classes.

For my other motto, Sir, I have only to request you will imagine

its sentiment to be addressed to you by our gracious Queen, firmly believing that she is not behind any previous queen in her wishes for the welfare of her subjects.

There are many classes of drones I have not named. Get some clever statistical genius to analyze the income-tax returns, you will there discover them; and I think you will come to the conclusion, that having passed through the "golden age," the "iron age," &c., we have at length attained the "*parasitic age*." At no period of the world's history were there so many people living between the producer and consumer. You cannot fail to perceive that, where there is a middle man, his interest is to make the producer *sell as cheap* as he can, and the consumer *buy as dear* as he can; and you will agree with me, that the *paper money, bill system*, and double-commission agents are the most effective instruments he could have to work with; and as I find that Jews and Quakers are the most prosperous people in these times, I infer that their *food* is the poison of the productive classes.

Nothing will so effectually steady the supply and demand for labour as returning to that state of currency which existed before the Bank charter. No fear need be entertained that too many factories will be run up to follow any new branch of business. If no bank, whether *national, private, or joint stock*, can have the power of creating more money, they will have no inducement to assist speculators in depriving an inventor of the just reward of his ingenuity. It is the capital which *owes no allegiance to the soil*, which is the bane of the industrious classes, by holding out the false glare of fictitious wealth, by decoying them from steady employment to the meretricious wages of an evanescent manufacture. Would that these *capitalists would take themselves off for ever*, and happy would it have been for England if they had never showed their faces in it.

I showed you in *Civis* that paper money was of no service to the productive classes, but indeed, an hindrance to the extension of our trade. In this Letter I have been desirous of showing how many families have been brought to ruin, that a few might be aggrandized. I can liken paper bankers to nothing so well as to fishermen spreading their nets to catch fish, save that the former are satisfied with one species, *flats*; but unfortunately credulity is widely extended amongst mankind, and both men and fish are entrapped by the ground being previously baited. You will imagine that a considerably greater quantity of skill is required for the nobler haul.

May I venture, before I conclude, to ask you to condole with

me under the following circumstances. I have taken the pains to write and publish a Letter, which in my conscience I believe to be of as much importance to the welfare of my country as any I ever read. I advertised it in all the London daily papers, (and sent each of them a copy), as you may suppose at no trifling expense. How many copies do you suppose have been *sold* of a work bearing the express title for which the Atlas has offered £100 *reward*? I have this day had the publisher's account—just *five*. But this is not all; they will have a *written* anonymous essay. Not above six people (all pledged to secrecy) know the author; and yet, because it is in *print*, I cannot compete for their prize, although I feel sure I should win.

It appears to me that you have only one of two courses to choose in regulating the money affairs of this country. Either you must patronize the Attwood plan of *inundating* the country with *paper money*, whereby you may render the pressure of the national debt a flea-bite; indeed, I can conceive that you might drive the majority of the holders into the workhouse; but this must be accompanied by *inconvertibility*, and the *starvation* of all that part of your population dependent upon your foreign trade: or you must reduce your prices to a *natural level*, by a removal of the unnatural pressure upon industry which I have clearly pointed out in *Civis*. I fear that a reiteration of my opinion as to the best course, would not weigh a feather in your determination; but I must caution you not to imagine you can leave things *as they are*.

In all probability, Sir, this is my last effusion as a public writer. I have for many years anticipated your present condition; but I have had experience enough of the world to know that it is useless to point to the coming storm whilst the wind is fair; but I have just shown you, that even when the sails were taken aback, *only five* out of the largest crew that were ever embarked in the same vessel, have shown any disposition to know what ought to be done to *save the ship from wreck*. You have in these Letters a very imperfectly expressed result of some practical experience of the matters on which they treat, not unalloyed with personal suffering from my *practical* ignorance in commencing business; indeed, it took me much time to comprehend the ramified machinery of the paper-money transactions of this metropolis. I unhesitatingly affirm that a mere theoretical writer is as ignorant as a sucking babe as to how "*these things are managed*."

I am, for the reasons set forth in these pamphlets, an indubitable Radical. I never did, and probably never shall, set any value on a man except for his intrinsic worth. We are the creatures of



circumstances ; and had I been born an aristocrat, I might have had very different ideas. I always felt that I could stand straight in the presence of a great man ;—a larger proportion of my life has been passed in the presence of my fellow men than usually falls to one's lot ;—there is not the mortal breathing whose eye I should be afraid to meet. If, then, I choose to veil my features, it cannot be from any fear of meeting the public gaze. I declare, in the face of my country, that my motive in writing is the *public good*, and I fancy that I give a proof of my sincerity in adopting a feigned signature.

Now, Sir, let me apologize for the length of this Letter. You will be aware that I am seeking less to inform you than to enlighten my countrymen as to the causes of their difficulties ; but the benefit will be yours, provided you have sufficient public virtue to carry out the reform indicated in it. We are sick and tired of *party*, and willing to support any minister who will work for our benefit. Every man who reads this will therefore be your supporter. I shall not again apologize for my lack of ability in writing, yet I fully feel that the cause I advocate must suffer materially from it.

I have the honour to be,

Sir,

Your obedient Servant,

MILES.

OCTOBER 29, 1842.

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POSTSCRIPT.—Pressure of business at the printer's has delayed the publication of this Letter : in the meantime I have been much gratified to observe, that some of the subjects touched upon have been taken up by the press. Witness the admirable Letters of the Times on the way the assurance companies swindle the public through the agencies ; the noble manner the whole press have

pounded upon the pretended Chancery reforms ;—the leading article of the Examiner of Nov. 12th finds a response in the breast of every man ;—see also the exposure of the piece-work shirt-making ;—the Globe and Post have entered on a controversy on the necessity of protecting the wages of labour by legislative enactment ;—the Times has given us some useful information on the turning every man's *credit* into *money in Scotland* :—besides, the only legitimate argument that might have been raised against the publication of this Letter at the present time, namely, the embarrassment of our foreign affairs, has been upset by the settlement of the Affghan and Chinese wars.

DECEMBER 8, 1842.